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S. Seen Widening Drug War

Support for Move to Colombia and Peru Is Reported

Ronald J. Ostrow
Los Angeles Times Service
WASHINGTON — U.S. support for a move to Colombia and Peru is reported to be widening the drug war.



in the United States. Officials said they believed that many of the drug targets, including airstrips and barracks for cocaine processors, could not be protected or removed before the raids began.

LTV Files Petition On Debts

Seeks Protection Amid Setbacks in Steel and Energy

The Associated Press
DALLAS — LTV Corp., crippled by hard times in both the steel and energy industries, filed Thursday for reorganization under Chapter 11 of federal bankruptcy laws.



Two Carmelite nuns were greeted in Marawi, Philippines, after their release Thursday.

10 Nuns Are Released By Philippine Captors

MARAWI, Philippines — Moslem rebels released 10 Roman Catholic nuns Thursday after holding them captive for six days in the southern Philippines.



Carol Ann Lawrence, wife of a kidnapped American missionary, on Thursday in Marawi, Philippines.

U.S. May Seek To Link Cuts in Arms and Tests

By Michael R. Gordon
New York Times Service
WASHINGTON — The Reagan administration is considering calling simultaneously for cuts in the number of underground nuclear tests by the United States and Soviet Union and in the number of strategic weapons on each side.

Administration officials cautioned that the administration was still debating the idea.

U.S. Ratifies U.K. Pact on Extradition

WASHINGTON — The Senate voted Thursday to ratify a treaty with Britain that will make it easier to extradite suspected Irish guerrillas from the United States for trial.

S. Faces Harsh Critics Over 'Arrests' Overseas

By Jim Schachter
Los Angeles Times Service
ANGELES — Angel John Zabenech, a son of a banana-growing family in the Central American nation of Belize, flew to Miami last Nov. 10 to buy a house for the family plantation.

Thousands of Ugandans Trying to Start Life Over

By Blaine Harden
Washington Post Service
KAKEKA, Uganda — Livingston Sendindikwa is back in town. But, as the former farmer readily admits, he does not cut the prosperous figure that he once did in this coffee-trading village.

INSIDE

GENERAL NEWS

The conference committee on reform asked President Reagan to withhold comment on the negotiations. Page 3.

In U.S. South, Heat and Death

People, Animals and Crops Suffer in Record Drought

By Dudley Clendinen
New York Times Service
ATLANTA — For a week and a half it has been so hot across the South that chickens die in their sheds, fish in their ponds, cattle in their fields, ancient oaks in their woods and people in their homes.



Harold McLamb, a farmer in South Carolina, in a field of dry and dying soybeans.

time for the cotton to fruit up, or for the boll, time for the corn to be silking and tasseling, time for the peanut plants to be pegging, making the little nubs just under the soil that will grow to be peanut good for the market. And it is getting to be time for the nuts on the peanut trees to harden up, to form their final shell, beyond which they can no longer grow.

China Arrests Reporter for N.Y. Times

New York Times Service
NEW YORK — John F. Burns, Beijing bureau chief for the New York Times, was taken into custody by Chinese security officials Thursday as he, his wife and two children were about to leave China for a vacation in Hong Kong.

Damascus Says It Continues to Press For Release of Hostages in Lebanon

By Michael Dobbs
Washington Post Service

PARIS — Vice President Abdel Halim Khaddam of Syria said Thursday that negotiations for the release of American and French hostages in Lebanon were complicated by the fact that they were being held in a region outside Syrian control.



Abdel Halim Khaddam

Mr. Khaddam, the highest-level Syrian leader to make an official visit to France in more than 10 years, said at a news conference that Damascus was continuing diplomatic efforts to free Western hostages kidnapped by fundamentalist groups. Two of nine French hostages were released last month.

The fate of the remaining hostages, who include three journalists and two diplomats, has become an important political issue here. Unlike the United States, which has ruled out bargaining with the kidnapers, the French government has made significant diplomatic concessions to win the release of its citizens.

end of the year to inaugurate a French cultural center.

Mr. Khaddam said he had "no new information" when asked about attempts by King Hussein of Jordan to improve relations between Syria and Iraq, bitter enemies for more than a decade.



France Pledges Aid During Visit by Mubarak

President Hosni Mubarak of Egypt, left, and President Francois Mitterrand of France talk in Paris. An interpreter stands between them. Mr. Mubarak left Paris on Thursday for London and Bonn with assurances from French leaders of help for Egyptian efforts to solve economic problems.

British Debate on Pretoria Sanctions Puts the Monarchy at Center Stage

LONDON — A political controversy over Prime Minister Margaret Thatcher's refusal to impose sanctions against South Africa is threatening to boil over into one of the most sacred areas of public life here, the role of Queen Elizabeth II as head of state and leader of the 49-nation Commonwealth.

LTV: Seeks Protection Amid Setbacks in Steel, Energy

(Continued from Page 1)

with Goldman Sachs in New York, predicted the company would seek price concessions from its suppliers and scale back its operations, though he declined to suggest what plants or divisions of the company would be at greatest risk.

FREE: 10 Nuns Released

(Continued from Page 1)

President Ferdinand E. Marcos was overthrown in February and succeeded by Mrs. Aquino.

Lord Boothby, 86, Aide To Churchill, Is Dead

LONDON — Lord Boothby, 86, a British parliamentarian and broadcaster and a former aide to Sir Winston Churchill, died Wednesday after a heart attack on Tuesday, his family said.

ARREST: Illicit Overseas Captures of Suspects by U.S. Agencies Increasing

(Continued from Page 1)

In the realm of drug trafficking, the United States has been negotiating new extradition treaties and rewriting old ones in the past five years to lessen the instances when American authorities would be tempted to rely on informal, ad hoc means to arrest criminal suspects.

Pentagon Approves Sale Of Trucks to Riyadh

WASHINGTON — The Defense Department has notified Congress that it has approved a \$202-million sale of trucks and other vehicles to Saudi Arabia.

DRUGS: U.S. Ponders Peruvian and Colombian Raids

(Continued from Page 1)

Issue of Political Control

Hershey to Make Bigger Bars

HARRISBURG, Pennsylvania — Hershey Chocolate Co. said Wednesday the weight of most standard Hershey candy bars will increase 10 percent to 14 percent beginning next month, with no price increase.

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WORLD BRIEFS

NASA Says Crew Had No Warning

WASHINGTON (AP) — NASA said Thursday that preliminary analyses of tape recordings from the space shuttle Challenger, if from the ocean floor, indicated that the crew had no warning of impending danger before the ship blew up.

Poland Approves a Limited Amnesty

WARSAW (AP) — The Polish Parliament Thursday approved a limited and conditional amnesty that would free 10,000 political prisoners but stop short of releasing all political prisoners under "especially justified" circumstances.

Colombian Death Squad Told to Stop

LONDON (UPI) — Soldiers, policemen and judges were told to stop the killing of more than 600 Colombian Communists in the first six months of 1986, according to Amnesty International.

El Salvador Expels Catholic Workers

SAN SALVADOR (Reuters) — A Roman Catholic group from El Salvador was expelled from the country Thursday after being accused of war zone, a U.S. Embassy official said.

Turkey Says Ecevit Broke Politics

ANKARA (AP) — Bulent Ecevit, former prime minister of Turkey, went on trial Thursday on charges of having violated a law barring him from political activity.

Tamils Accuse Government of Killing

COLOMBO, Sri Lanka (AP) — Tamil leaders asserted Thursday Sri Lankan security forces had killed 155 Tamils in massacres in north villages.

Thailand, U.S. Discuss Arms Stockpile

BANGKOK (Reuters) — Bangkok and Washington are negotiating details of a joint arms stockpile to be set up in Thailand, the American war reserve in a country without U.S. bases, the two confirmed Thursday.

For the Record

Liton Industries was suspended indefinitely by the Defense Dept. on Wednesday from receiving military contracts after the contractor was charged with defrauding the military of \$6.3 million.

DOONESBURY

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WELL, NOT REALLY I GOT THIS SELLER TO AGREE TO DO IT.

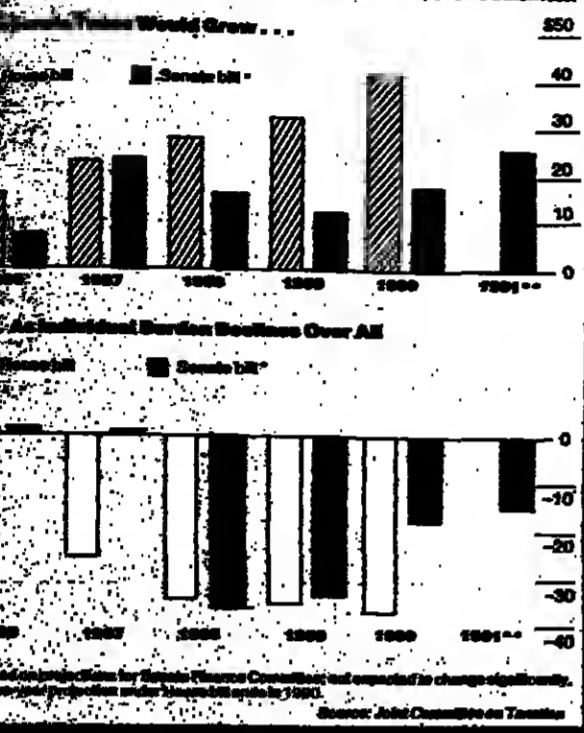
Panel Seeks Reagan's Silence As It Considers Tax Reform

By Anne Swardon
Washington Post Service
WASHINGTON—The House conference committee on tax reform Thursday is expected to be silent on the president's tax proposals.

Committee, met with Mr. Reagan before the conference panel's first session and told the president their negotiations would be smoother without presidential intervention.

"We hope the president will not be commenting on the bill day by day, section by section, as we go along, and I think he will refrain from that," Mr. Packwood said after the meeting.

Panel Seeks Reagan's Silence As It Considers Tax Reform



Drugs Flow Via Turkey Is Said to Rise

Turkey Says Cocaine Broke Political Upheavals in Asia, Middle East Aid Production

By Henry Kamm
New York Times Service
STANBUL — American and Turkish specialists report that political upheavals in opium-producing countries and a large increase in opium addiction in Europe have created a flow of narcotics from the Middle East through Turkey that is rising sharply.

United States, where 500,000 people are estimated to be hard-core heroin users.

transport westward of opium and hashish.



Representative Dan Rostenkowski, left, and Senator Bob Packwood sported antique army helmets as a conference committee began work on a compromise tax-reform bill.

Both also have expressed the hope that the final plan will cut the taxes of middle income taxpayers by the 9 or 10 percent of the House measure rather than the 5 to 8 percent in the Senate version.

Nicaraguan Legislator, Foe of Sandinists, Flees To Venezuelan Embassy

By Julia Presson
Washington Post Service

MANAGUA — A conservative opposition member of Nicaragua's legislature has sought asylum in the Venezuelan Embassy here, Venezuelan diplomats said.

program, warning that groups that do not will be regarded with suspicion as being in league with the rebels.

The aid is expected to be approved by the Senate soon. On Wednesday, senators opposed to sending military aid to the Nicaraguan rebels said that they would stage a filibuster against the legislation when it reached the floor.

Congress Restores Cuts In Gramm-Rudman Law

United Press International

WASHINGTON — Congress, in a day of rapid action, voted Thursday to keep in place \$11.7 billion in federal spending cuts made under the balanced-budget law but invalidated by the Supreme Court.

U.S. Will Sell Pakistan Advanced Technology

Reuters

WASHINGTON — The United States and Pakistan signed an agreement Thursday allowing Islamabad to buy advanced technology that U.S. officials said, contained tough guarantees that the equipment would not be used in Pakistan's nuclear development program.

clear program was aimed at producing a bomb, despite frequent denials of this by Islamabad.

Kennedy Airport Moves To Ease In-Bound Delays

New York Times Service

NEW YORK — The Immigration and Naturalization Service has agreed to add extra inspectors at Kennedy International Airport, where arriving foreigners have been subject to processing delays of as long as four hours.

Ex-NASA Rocket Chief Is to Retire

By Kathy Sawyer
Washington Post Service

WASHINGTON — NASA has announced the abrupt retirement of Lawrence B. Mulloy, the proud, unrepentant career manager who took the brunt of the criticism in the Rogers Commission report on the Challenger accident.

U.S. Will Sell Pakistan Advanced Technology

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Reuters

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New York Seeking 700 for AIDS Tests

By Erik Eckholm
New York Times Service

NEW YORK — The blood bank that serves the New York metropolitan area is working to identify 700 people who received transfusions in the period from 1977 to April 1985 that may have been contaminated with the AIDS virus.

More than 2.7 million patients have received transfusions from New York center since 1977. That is about the time that AIDS is believed to have first begun to spread in the region.

Last month, the nation's blood banks announced their plans for what they called a "look back" program to trace earlier recipients of suspicious blood.

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DEATH NOTICE
The friends of the painter and poet **FRANCO CRIVIN** regret to announce his death on July 13, 1986.
Cremation at the Columbarium of Père-Lachaise Cemetery, Paris, Tuesday, July 22 at 1:30 p.m.

Herald Tribune

Message to Pretoria

With South Africa seething under virtual martial law, President Reagan proposes to send as his next ambassador a North Carolina businessman, Robert Brown, who happens to be black. And why not? Why not

A Boom in Trouble

At the start of the year there was a broad consensus among forecasters that the U.S. economy would grow strongly in 1986. The Reagan administration thought so, as it always does, but other people with no political interests agreed. Yet the growth rate

China Schools Itself

The differences between the two great Communist states in their attitudes toward foreigners is endlessly fascinating. The Russians invariably assume that the visitor is, if not actually a spy, at least a subversive influence from which the population must be shielded.

Other Comment

Commonwealth Friction

The rumor that India might organize alternative Commonwealth Games appears to herald a new phase in a war of nerves over a former Commonwealth member, South Africa. Margaret Thatcher has thrown herself into a very complicated and risky middle ground. What does she hope to obtain with her sermons on international morality, in such strait contrast to what most civilized nations have come to see as necessary in dealing with South Africa?

INTERNATIONAL HERALD TRIBUNE

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OPINION

In Britain, Symptoms Of an Identity Crisis

By Philip Geyelin

LONDON — "WHO ARE WE?" The queen has probably never exercised her royal prerogative to raise so elementary a question with her prime minister, Margaret Thatcher, in one of their regular weekly chats.

Most of the funds for this were borrowed abroad. The end of the drought, and a recovery led by the public sector, were complemented by a deregulation of banking and financial markets that saw the entry of 16 foreign banks into the country.



Bob Howley by LUKE



Tough Tests Ahead for a Lately Unlucky Australia

By Maximilian Walsh

SYDNEY — Australians who call their nation "the lucky country" are wondering if the luck has finally run out. The national treasurer, Paul Keating, told his countrymen last month that unless they got their act together they would end up living in a banana republic.

His remarks sent the Australian dollar into a downward spiral that saw it shed more than 10 percent in a matter of weeks. In 18 months the dollar has fallen by 35 percent and Australia, a major borrower in international markets (total debt is \$80 billion Australian dollars, or \$50 billion), finds itself facing a balance-of-payments crisis.

Most of the funds for this were borrowed abroad. The end of the drought, and a recovery led by the public sector, were complemented by a deregulation of banking and financial markets that saw the entry of 16 foreign banks into the country.

On Terrorism, Little Sign of the New Cooperation

By Flora Lewis

PARIS — Terrorist attacks have broken out again in Europe. As Washington notes with a hint of smugness, there has not been evidence of Middle East-inspired terrorism since the April 15 American raid on Libya, but the idea of terror as a political weapon has proven itself alive with a series of new deaths.

Libya did not succeed in demonstrating that terrorism does not pay, just that it is not a good idea to boast about it as openly as Libya's Colonel Moammar Gadhafi liked to do.

LETTERS

A Tear for Lady Liberty

In response to the massive media coverage of the 100th birthday of the Statue of Liberty, I would like to make the following observations: My late father was an immigrant who came to America from Poland after the turn of the century, when pogroms drove his family away.

A Loophole Big Enough for a Whaleboat

By Elizabeth Kermi

GENEVA — Earlier this month Japan and Norway announced their intentions to stop commercial whaling in the North Pacific. But it is far from clear that the rest of the world will follow suit.

Even worse, considerable majorities questioned Mr. Reagan's judgment and doubted he could be trusted to look after British interests.

IN OUR PAGES, 75 AND 50 YEARS AGO

1911: N.Y. Cholera Scare WASHINGTON — Both the Federal health authorities and the health officers of New York are showing some concern over the spread of cholera, the first cases of which were brought to this city by Italian immigrants. There have been three deaths within 48 hours and 15 patients are in the detention hospital, six of whom will probably die. There is indeed danger of a cholera epidemic unless strict precautions are observed, and Dr. Wyman, the Surgeon-General of the Public Health and Marine Hospital Service, issued orders [on July 17] that all immigrants arriving from any port where cholera has appeared are to be placed in quarantine for 10 days, then to be released only if they are in perfect health.

1936: Sing, but Later PARIS — [A reader writes:] "Have you got a friend, who has a friend, who knows a man, who is second cousin to a man, who is close to whatever department is in charge of those street singers who yowl up and down residential streets? Not that I have anything against street singers, I've listened to them long enough to know two songs and both of them begin: 'Je suis chanteur' [I'm a singer of work]. But I object to the hours they keep. They start to wail and moan and yelp about 6 A.M. and they give up at midnight sharp. Let's get a Minister to get some organization in the street-singing industry. Regiment them. Divide them into groups, one group to sing breakfast music; another group to accompany lunch; and say quartets of accordions for dinner music. Let any one of them that ventures out before 9 A.M. be shot."

INSIGHTS

Watergate's Bad Boys, Much Better Days

By Nicholas D. Kristof

PHILIP GUYELIN
S ANGELES — John D. Ehrlichman's bushy eyebrows are at rest. Those familiar with Mr. Ehrlichman's past will be surprised to see him smiling and relaxed in his Los Angeles home. He has mellowed. The Watergate Committee, still exercising jurisdiction over the scandal, has not bothered him. But they have mellowed. Mr. Ehrlichman, from his comfortable home in Santa Fe, New Mexico, writes novels set partly in his old White House days, earning more than he ever did as a presidential aide, with time off to go fly fishing and to enjoy his life.

that carried these few to the pinnacle of power in Washington. But it seems their White House years, including Watergate, count as a plus in their current lives. People return their phone calls. They get better seats at restaurants. And they make more money.

ago, former President Richard M. Nixon appeared on the cover of Newsweek, which declared him "rehabilitated."

By lecturing and by running a security agency. But he added, "There's a silver lining in any adversity."

W. Dean 3d

These days, the president lives in the White House with his wife, Maureen, and runs a private investment banking firm. He has, he says, more time than he can handle.



Recent photos of three of President Richard M. Nixon's aides who were involved in the Watergate scandal: John D. Ehrlichman, left, H.R. Haldeman, below, and G. Gordon Liddy, now an actor.



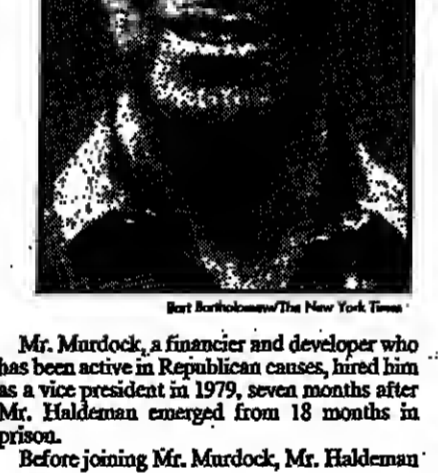
Recent photos of three of President Richard M. Nixon's aides who were involved in the Watergate scandal: John D. Ehrlichman, left, H.R. Haldeman, below, and G. Gordon Liddy, now an actor.



Recent photos of three of President Richard M. Nixon's aides who were involved in the Watergate scandal: John D. Ehrlichman, left, H.R. Haldeman, below, and G. Gordon Liddy, now an actor.

Haldeman

H.R. Haldeman seems restrained, but he is the crew-cut drill sergeant who guarded access to Mr. Nixon. Mr. Nixon's hair is longer these days, his manner is more relaxed.



parlayed his Watergate experience into a lucrative best seller, "The Ends of Power."

He says he plans to write another book on his White House years.

He believes his Washington years have little direct effect on his current activities but added: "I don't have trouble with people knowing my name. I guess that's an advantage."

John D. Ehrlichman

"I prefer this life, where you quit at 1:30 in the afternoon," said the former chief domestic affairs adviser to Mr. Nixon, of his new career as a writer. Mr. Ehrlichman, 61, has just published a new novel, "The China Card," about a spy on Mr. Nixon's staff.

Mr. Ehrlichman's first book was "The Company," a novel about the CIA, which sold more than one million copies and became a television series. Next was "The Whole Truth," a White House novel, which did not do very well. Then came his memoir, "Witness to Power," which was a Book-of-the-Month Club selection.

Club alternate with a big first printing — 90,000 copies.

Mr. Ehrlichman has remarried, and he and his wife, Christy McLaurine, a designer, have a 5-year-old son, Michael. Mr. Ehrlichman has five children by his first wife.

Besides writing books, Mr. Ehrlichman lectures, consults, and writes magazine articles. He declined to give details on his earnings, but said, "Financially, things are much better than when we were in Washington."

G. Gordon Liddy

The flamboyant Mr. Liddy — the onetime lawyer, FBI agent, White House aide and counsel to the Nixon re-election finance committee — divides his time between Scottsdale, Arizona, and a large home along 400 feet (122 meters) of the Potomac River near Washington.

He earns most of his income from the 60 lectures he gives each year, for fees, he says, that range from \$4,000 to \$8,000. Many are motivational, entitled, for example, "Surviving or Prevailing: The Choice is Up to You." Mr. Liddy, 55, says he has delivered them everywhere from the U.S. Military Academy to the McDonnell Douglas Corp.

Irritant in U.S.-China Ties: Arms Assistance to Taiwan

Beijing's Anger Over Licenses Strains Relations

By Selig S. Harrison

WASHINGTON — Growing tensions over Taiwan pose the most serious challenge to U.S.-China relations since Washington recognized the People's Republic of China seven years ago.

In an interview in Beijing, the Communist Party leader, Hu Yaobang, flanked by Deputy Foreign Minister Zhu Qizhen, criticized U.S. policies on Taiwan. The recent visit to Washington by Mr. Zhu marked the start of a Chinese attempt to bring about reduced U.S. military support for Taiwan as part of a broader shift in American policy.

Questioning U.S. good faith in honoring an agreement limiting arms sales to Taiwan, Mr. Hu asserted that the United States was "not friendly in China regarding Taiwan, and if you remain unfriendly over a long period of time, we would not tolerate that."

The United States is caught between two commitments: one to the Congress and the other to China. Washington insisted on retaining the right to sell arms to Taiwan when it established ties with Beijing.

But Congress went a step further, enacting the Taiwan Relations Act, which requires U.S. sales of weaponry to Taiwan "sufficient" for its defense. This has provoked tensions with Beijing. They were papered over when U.S. and Chinese leaders signed the Second Shanghai Communiqué on Aug. 17, 1982, in which the United States pledged that arms sales to Taiwan "will not exceed, either in qualitative or quantitative terms," the post-1979 level.

The United States has reduced its arms sales by \$20 million each year since the communiqué. But tensions over Taiwan were rekindled last year when Beijing learned that the United States had begun to license technology exports to Taiwan for the manufacture of advanced weaponry.

China views the licensing as a violation of the 1982 communiqué. Washington responds that it did not cover technology transfers.

CHINESE anger mounted in recent months as U.S. military publications reported hush-hush details of Taiwan's \$1-billion program to produce what is called an "indigenous defensive fighter aircraft" containing a late-model U.S. engine and avionics technology.

Washington refuses to sell Taipei the F-20 or the F-16, since these would represent a qualitative increase over the F-5E, currently the most advanced plane in Taiwan. But sources in Taipei, Washington and U.S. companies say that the plane will "approach" the F-20 in some of its technology and will look like a "small version of the F-16."

Mr. Hu said that even if not mentioned directly in the 1982 communiqué, "technology transfers are clearly covered."

"What is the difference," he went on, "between arms sales and the transfer of technology for the manufacture of armaments? Transfer of technology sounds better. But it is the same thing as arms sales."

"We are not clear about the exact level of technology being licensed by the United States for the airplane," Mr. Hu said. "But it is a fact that the U.S. is using technology transfers to circumvent the limits on quantitative and qualitative increases, it would constitute bad faith. China would take a stern position and would give serious consideration to the proper measures of response."

SINCE China, too, receives U.S. military help for its air force, and says it wants to reunite China by peaceful means, why does it object so strongly to arms for Taipei?

Apart from its concern with the military balance as such, China views U.S. arms sales as a symbol of Washington's intentions concerning the future of Taiwan. Beijing envisages a gradual increase in China-Taiwan contacts and trade during the years ahead, leading eventually to negotiations under which Taiwan could contain a "high degree of autonomy" in accordance with Beijing's concept of "one country, two systems."

The United States has declined to endorse this concept so far, arguing that it wants to leave the destiny of Taiwan up to the Chinese on both sides of the Taiwan Strait. But Beijing contends that the United States is already deeply involved in the issue and will continue to be so long as it continues high levels of weapons sales to Taiwan, along with sales of advanced military-related technology, totaling \$150 million in 1987.

China recognizes that unification will take time, Mr. Hu indicated, but he wants to know "whether we are going in the same direction."

"We don't find unanimity of views among the present leadership in the United States concerning Taiwan," he added. "Do they want to see China unified, or do they want some form of independence for Taiwan? At least some people in Washington consider Taiwan an unsinkable aircraft carrier. Others seem to have a wait-and-see attitude. If the U.S. would make up its mind it would make possible a gradual process of peaceful unification."

Beijing's perspective, a more rapid reduction of U.S. arms sales would signify a more neutral U.S. attitude toward unification, while the present policy suggests a U.S. desire to perpetuate a de facto independent Taiwan for as long as possible.

The issue of arms to Taiwan produced a tense and inconclusive exchange between Mr. Zhu and Michael H. Armacost, the U.S. undersecretary of state for political affairs.

Many U.S. officials contend that China does not really care about the Taiwan issue as much as it proclaims, but uses it to keep the United States on the defensive to exact concessions on other issues. All that China really cares about is economic modernization, they insist. But this view undercuts the unification objective in Chinese politics.

Selig S. Harrison, a senior associate of the Carnegie Endowment for International Peace, recently spent a month in China and Taiwan as part of a study of the Taiwan issue.

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Israeli Bomb Dispute Highlights Weapons-Control Problems

By John H. Cushman Jr.
New York Times Service
WASHINGTON — The complex story of Israel's cluster munitions illustrates how hard it is to control the spread of advanced weapons...

Whatever this investigation finds, the state-owned company involved, Israel Military Industries, has already designed its own cluster munition to replace the American one...

how hard it is to restrict any kind of weapon once it has been invented. Like the Europeans, Israel faces an adversary, in this case Syria, that is equipped with tanks...

violated the secret terms of a 1978 agreement limiting the use of cluster weapons, exports not all of cluster weapons but of military items to Israel would be blocked.

According to the international publication Military Technology, the article was written by Wolfgang Flume, who is editor of a German-language publication, Wehrtechnik...

They have found two contamination areas on the island covering a total of 11 acres. These will be treated with a mixture of formaldehyde and sea water to chemically isolate any remaining active spores...

EUROPEAN TOPICS

On Scottish Isle, a Try At Decontamination

GRUINARD ISLAND, Scotland — Government scientists hope to decontaminate this 520-acre (210-hectare) island off the west coast of Scotland...

Barbie Trial Clears Another Legal Hurdle

PARIS — After three years of legal maneuvers, the way appears to have been cleared for the trial of Klaus Barbie, Nazi war criminal...

France Strengthens Law To Control Immigration

PARIS — France's conservative-dominated Parliament has approved tough new measures to control immigration and make it easier to expel foreigners who threaten public order.

Dispute Mars Chirac's Ties To President

PARIS — A spokesman for Prime Minister Jacques Chirac said Thursday that his conflict with President François Mitterrand over the government's plan to sell state-owned companies would scar future relations between the two men.

Bonn Keeps Low Profile In Spy Case

PARIS — The West German government sought Thursday a way out of the deadlock over the issue of an East German double defector who has taken refuge in Bonn...

Japan Appears Ready To Join SDI Project

By Clyde Haberman
New York Times Service
TOKYO — Japan basically has decided to join the Reagan administration's space-based defense research, a government official said Thursday.

REAL ESTATE TO RENT/SHARE

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New York Times Service
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Policemen in Peru Get Jail Sentences
United Press International
AYACUCHO, Peru — Three civilian judges have sentenced 11 police officers to prison terms of 10 to 25 years for killing dozens of villagers in a stronghold of extreme leftists...

On Scottish Isle, a Try At Decontamination

International Herald Tribune

TRAVELER'S CHOICE

Train in Spain

In 1851 the queen of Spain inaugurated a special train to carry the royal family between Madrid and their summer palaces in Aranjuez...

Passengers can spend the day in Aranjuez visiting the palace with its formal gardens. They can also boat trip down the Tagus River...

View of Tokyo

On the Sumida Line has 40-minute summer cruises departing from the Azuma bridge near the Ina Temple, a major tourist attraction...

American in Dublin

In 1946 J.P. Donleavy, novelist, playwright, and known to his friends as Mike, arrived in Dublin, whence his work as a writer had fled a generation before...

TRAVEL

- China's Yunnan province
Castelli Romani
Fight for lower fares



Many of the 24,000 islands in the Stockholm archipelago are low slabs of rock called skerries.

Isles of a Summer Night

by Jeppe Wikstrom

STOCKHOLM — The 24,000 islands of the Stockholm archipelago float in a gray-blue sea like so many pieces of broken china scattered across the floor...

This island world, covering an area the size of Connecticut, actually starts in Stockholm. The central parts of Sweden's capital are built on the innermost islands.

The islands near Stockholm are virtual suburbs, densely populated and connected to the mainland by bridge or car ferry. Other parts of the archipelago are uninhabited and among the wildest areas in Europe...

There are relatively few tourists in the archipelago even at the height of summer. There are many summer houses, characteristically painted red, and in the vacation month of July the waters teem with yachts.

Until recently there were not many opportunities for visitors to sample the pleasures of the archipelago, but in the early 1980s a modest and discerning type of tourism started to develop.



Kayaks enable visitors to navigate shallow waters.

Norrhalje about 30 miles (48 kilometers) north of Stockholm, the boat follows a route that seems to pass almost dangerously near skerries and reefs.

Other vessels also serve the islands. The Stromma Kanal offers a three-hour trip starting in Stockholm and sailing down canals through woods and farmland out to islands.

Among the 10 or so small shops on Sandhamn is a good bakery and an arts and crafts center that sells first-rate examples of Swedish woodware and textiles.

Another island worth a visit is Bullero, one of the most beautiful in the outer archipelago, with splendid (though sometimes slightly difficult) walks along the

ironbound shore with its round, smooth, rather soft-looking rocks. In the inner, forested areas of the island, a visitor might see one or two roe deer.

The best place to get an idea of farming on the islands is Angso. Pasture land, hay meadows and small patches of tilled land are surrounded by thick forests...

its meadows in June and early July is magnificent.

The easiest way to get around the archipelago is on the bus boats of Waxholm Co., which cover many of the inhabited islands. Many of the boats do justice to their names, being all too bustling, practical but rather dull.

Among other steamboats, the Blidosund (1911) does five evening trips a week from Stockholm, with jazz, blues and soul music on board.

Perhaps the best way to travel around Stockholm's archipelago is on a small yacht. There are plenty of excellent, well-protected natural harbors, and the all-mansratt ("public right"), an unwritten law, allows public access to private land and water.

An alternative to cruising or sailing around the islands is kayaking. Last summer a group of nine — a Stockholm woman, three Swedish students, a Seattle couple, an English chemist, a Swedish doctor and myself — were led on such a trip by a guide from a Stockholm travel agency.

Continued on page 9

SHOPPING

In Dublin's Fair City, a Crafty Restoration

by Hugh Oram

DUBLIN — A revival in crafts has made Dublin one of Europe's most engaging places to shop. Besides department stores, antique shops and art galleries, Dublin has many craft shops that have been developed in the past five to ten years...

Most of Dublin's interesting shops are within a half-mile radius of the city center, but one mile (1.6 kilometers) away, the IDA Enterprise Center in Parnass Street (tel. 775-655) welcomes visitors to its many small trading places.

Fergus O'Farrell, 60 Dawson Street (770-862) has lifelike models of Irish sheep with detachable, washable fleeces for 175 pounds. O'Farrell also has miniature vinyl Dublin coat hole covers at 2.99 pounds...

Kilkenny Design Shop, Nassau Street (771-066), has long been a showplace of Irish goods, from glassware and pottery through clothes. It has lambos wool skirts for 48.80 pounds. The long-established Woollen Mills, by the Ha'penny Bridge over the River Liffey (770-301), has a wide

Rummaging in quayside shops is rewarding

range of tweeds for women, including skirts at about 30 pounds, and fabric lengths; men's Donegal tweed jackets range from 75 to 105 pounds. Many of these lines carry the weaver's name, a refreshing throwback in an automated era.

Four major department stores have feasts of Irish shopping: Arnott's (Grafton Street and Henry Street), Brown Thomas and Switzer's (both Grafton Street), and Clery's (O'Connell Street). Switzer's claims to have the world's largest display of Waterford glass.

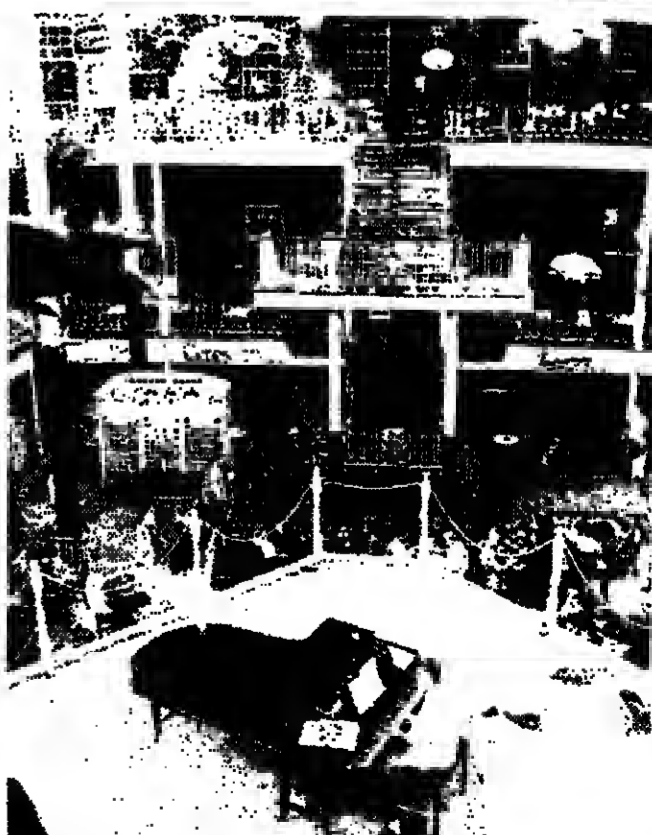
Butler's, 14 Bachelor's Walk (730-296), I found a huge Irish kettle, more than a century old, for 20 pounds. In the past few years, many new galleries have joined such favorites such as Hendricks in St. Stephen's Green.

The Solomon Gallery, Powerscourt Center (794-237), has an exquisite craft shop, while at the Oriol Gallery, 17 Clare Street (763-410), you may pick up a Percy French watercolor for a modest 2,000 pounds.

Most art shops in Dublin sell hand-tinted Jack B. Yeats prints produced by Coala Press, run by Anne Yeats, daughter of W.B.; these charming prints are reasonably priced at about 8 pounds. At the Gallery of Photography, 37 Wellington Quay (714-654), prints and posters of old photographs of Dublin and Ireland start at 3 pounds.

Books on Irish topics have become numerous in recent years. The best shops for browsing or buying are Eason's (O'Connell Street), Greene's (Clare Street), Hanna's (Nassau Street), Hodges Figgis (Dawson Street) and the Paperback Center (Suffolk Street).

One of the best shopping locations must be left to last: the Dublin airport's duty-free shopping area, well stocked with clothes, crafts, food and drink. A linen crocheted cardigan, the height of Irish-made elegance, is 101 pounds. Men's handwoven wool sweaters are 36 pounds.



Plein air piano at Powerscourt town house centre.

Hugh Oram is a Dublin-based author and journalist.

TRAVEL

THE FREQUENT TRAVELER

Independents Breaking State Airline Monopolies

by Roger Collis

BUSINESSMEN and other regular travelers who are unable to take advantage of many low fares within Europe because of special booking conditions are being exploited by the state-owned and dominated airlines, which charge excessive fares on busy routes, says Michael Bishop, chairman of British Midland Airways.

possible through the erosion of European protectionism by a series of liberal bilateral agreements in the last two years between Britain and the Netherlands, Luxembourg and Belgium — allowing designated airlines to fly any routes between the two countries at any fares and any frequency — and by a recent threat by the EC Commission to take national airlines to court unless member states make significant progress toward liberalizing air transport.

This threat followed a ruling by the European Court of Justice in April (a test case in which Nouvelles Frontières was taken to court for discounting) that effectively outlawed uncompetitive price-fixing by airlines. Nobody expects deregulation to happen overnight, but there is a groundswell of reform that may lead to confrontations between protectionist governments — such as those of Spain, Italy, Greece, West Germany and possibly France — and independent airlines and charter operators. This in turn may lead to further EC rulings.

"Nothing much will happen until the Council of Ministers' meeting in September," said Christian Pinot, international director of Nouvelles Frontières, "but it's an explosive situation." "The climate is changing," said British Midland's Bishop. "There's a very strong grass-roots feeling by people that they are being exploited by the airlines. It'll take time, but when the walls start to crack, I think they'll crack quite quickly."

Bishop said he expected two things to happen on the Heathrow-Schiphol route: BA and KLM will reduce fares and traffic will grow. "After we came in to compete on Glasgow and Edinburgh, traffic went up by 35 percent in three years," he said.

British Caledonian has had a similar experience, especially on its service between Gatwick and Amsterdam and Brussels where it operates its Time-Flyer fares. Michael Bathgate, B-Cal's general manager for Europe, said: "We started on Brussels last December as soon as the Anglo-Belgian air-service agreement was liberalized. Since then we've seen a 50-percent growth in our passengers. Interestingly enough, by no means all of it has come from Sabena and BA. We've generated a lot of new business from the ferry and jetfoil." He said he believed about half this growth represented business passengers.

Time-Flyer is an imaginative system. Flying from Gatwick to Brussels, for example, you can do a round trip for £90 (business class costs £178) if you depart and return on the off-peak lunchtime flights. If you want to come back on a peak morning flight, you can upgrade for a total cost of £108 pounds.

Not surprisingly, B-Cal is meeting resistance to Time-Flyer on Europe's more protected routes. "We just have to keep chipping away," Bathgate said. In France, Nouvelles Frontières is chipping away on charter routes to Frankfurt, Geneva and Rome, so far without success. The climate in France may however be changing; early this month, Air France lost its monopoly on flights to French overseas territories, an opportunity Nouvelles Frontières was quick to exploit. "We have created a business department with the aim of providing business traffic with lower fares than scheduled airlines and without restrictions," Pinot said.

EC deregulation: 'An explosive situation.'

fares for business as well as leisure travelers by challenging the monopoly of state-owned carriers on some routes.

British Midland keeps it simple on its new service to Schiphol; you get business-class service however much you pay, and there are only four fares instead of the usual dozen: A normal business-class one-way ticket costs £69 (\$104) compared with £85 on KLM or BA; a same-day round-trip costs £119; a one-way "late saver," bookable within 48 hours of departure, costs £39; and a conventional PEX ticket costs £69.

British Caledonian's Time-Flyer fares (the tariff depends on the time of day you fly) between Gatwick and Schiphol, Brussels or Frankfurt can save up to 50 percent of normal economy fare. You can change your return flight if you upgrade to a more expensive time segment; you must stay a minimum of one night but it need not be a Saturday. Virgin Atlantic has an unrestricted one-way fare of £35 between Gatwick and Maasricht in the southern Netherlands (convenient for Brussels, Cologne, Eindhoven) and is looking at similar cut-price services to other destinations.

Nouvelles Frontières, France's second-largest tour operator, runs a "scheduled" charter flight (operated by British Island Airways with a BAC111) between Orly and Gatwick (one flight each way) every Friday and Sunday for 490 French francs. There are no restrictions; you can even change your return. The company is planning more flights. (It is probably no coincidence that Air France and BA have "experimentally" cut their APEX fare between Paris and London from July 1 through Aug. 31.)

Most of these good things have been made



Men Watch, Women Work in Yunnan

by Kate Singleton

KUNMING, China — The billion-strong population of China is 93 percent Han Chinese, but the remaining 7 percent is made up of 55 national minorities, some of whom wear their national costumes and, to the careful observer, have features distinguishable from those of the Han. They can be found in half of the Chinese-controlled territory, mostly in the sensitive border regions. One such region is Yunnan province, which borders Laos in the south, Burma in the west and Tibet in the north.

Kunming is the capital of Yunnan. It is a long train ride from anywhere. If you approach Kunming from the southeast you will probably find yourself sitting up on a wooden seat for 36 hours at a stretch, because the train set out from Shanghai and there are no more coaches available.

Chinese trains do not have classes but categories: hard and soft. The hard sleepers consist of rows of rudimentary cots in one long carriage with a corridor down one side. This is obviously less comfortable, but it is cheaper and interesting. You are likely to meet people who are teaching themselves English and would like you to correct their homework, for instance. Others may play chess with you — a great attraction: the Chinese love watching contemplative games.

The city is at an elevation of 1,890 meters (6,160 feet), and the weather is pleasantly springlike throughout the year. This means it is usually full of flowers and color. Kunming is a strange mixture of old and new, uniformity and surprise. The best way to see this is by bicycle. You can hire one from the new part of the Kunming Hotel (though if you've been traveling in China for some time you'll appreciate the bathrooms in the old part, where you'd be advised to stay; it is less touristy and less expensive than the new).



In the park at Kunming.

You will also find a China Travel Service desk there for plane and train reservations. This will save you queuing at stations and CAAC offices.

So off you pedal, and now it is your turn to do the staring: signs depicting a toothy mouth to advertise a dentist's shop; perversely can admire the practitioner's skill with a pair of pliers; little old ladies with bound feet in their tiny slippers; women wearing bright blue turbans; and others with colorful embroidered jackets; young people in jeans and sneakers.

In Caihu Park you can sit under the trees by the lake and read, or mingle with the audience around a group of local musicians; you can sip tea in one of the tea gardens; you'll probably find there, or wander into a walled-off area with flowering cherry trees, to watch men sitting on stone benches playing cards or games with illustrated counters.

There are various parks and temples to visit within a 15-kilometer or 10-mile radius of Kunming. Take local buses rather than on guided tours. If you have the energy, there is nothing to stop you making your way there by bike.

If you have a week or more to spare, go to Dali on the west side of the province. Here you can walk on the Cangshan mountain or explore the large Erhai lake and the surrounding villages. Getting there is a bit of an undertaking, however. There are two daily bus services, both from the same depot in Kunming. You can choose between a huge old-fashioned coach and a sleek new Nissan minibus that is more expensive but quicker. The journey is across three mountain ranges with extraordinarily varied vegetation — though you may not always find it easy to concentrate on the scenery; in the big buses, people are sometimes car sick, and in the minibuses the driving can be unnerving on mountain bends. The unwritten rule seems to be that the nearer the vehicle, the more right of way the driver has. You can only hope that drivers from the opposite direction can judge the newness of an out-of-sight Nissan by the sound of its horn.

Dali is a tiny town that is the administrative center for a fairly large area. It is at almost 2,000 meters, more or less where the great Yunnan-Tibet and Yunnan-Burma highways meet. In the past it played an important role in exchanges between China and southeast Asian countries.

There are two things in Dali that you will probably appreciate immediately: the food and the architecture. The town, which has only been open to tourists for a couple of years, is full of excellent little restaurants. The local specialty is a steaming cauldron of fish, meat, vegetables, ginger, bean curd and many other tasty things.

The houses are elegant and ornate, usually arranged around a series of courtyards. Often the facades have friezes decorated with

black and white paintings of local scenes. Grey marble is also used for corners and detailing. The word *dali* means *ministry*. There is a lot of it on the nearby hills which ring with the sound of hammers and anvil.

In the surrounding countryside you see people heaving great lumps of mud onto carts, which are hand-drawn to the fields. On the lake side of the road, the earth is richer, farmers hoe and dig harvest by hand. Down by the water, nets pulled up, mended and folded by teams of three or four. After you have been taking these scenes for about a day, you realize practically all the hard work is done by women.

Well over half the population of Dali belongs to the Bai people, whose women wear brightly embroidered headscarves and colorful vests with an embroidered pattern over the top of cotton pants. Daller vests of this outfit are worn in the fields. The women are pretty and persuasive. On sight of the authorities they will try to outsmart them; they have embroidered, or silver bangles and enameled hairpins to wear. You will find other local products: the big authorized market held just outside town on Mondays; many of the stalls kept by women.

When Marco Polo visited Dali in the 13th century, he noted that "all the men, gentlemen; according to their custom, do nothing except enjoy themselves; women do all the hard work." To which added, however, a custom no longer apparent: "When a woman is delivered of a child the husband stays in bed for 40 days" while his friends come to visit him. "And the wife gets up and does the housework and serves the husband in bed."

Kate Singleton, a Milan-based journalist recently returned from an extended visit to China.

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FOOD

The Fragrant Melons of Cavailon

CAVAILLON, France — Nov. 15, 1864, was a historic day for Alexandre Dumas père as well as for the famously fragrant and juicy Provençal fruit known as melon de Cavailon. On that date the prolific French writer made a deal with the municipal government of this market-garden city along the Durance River. In exchange for donating 194 volumes of his work to the local library, Dumas would receive a lifetime annual gift of a dozen fresh Cavailon melons.

"I have never eaten fresher, more flavorful or more palatable melons than those of

PATRICIA WELLS my annuity," Dumas later wrote, adding that he hoped the people of Cavailon would always find his books as charming as he found their melons.

The arrangement came about because a librarian wrote asking Dumas to send two or three of his favorite works. Since Dumas was equally fond of all his writing, he sent the lot, then requested that the municipality send him the melon annuity in return. The annuity ended shortly after his death in 1870, but a few years ago a French academician persuaded the mayor of Cavailon to reinstate the agreement and send the prized melons to Dumas's descendants.

Ultimately, Cavailon can thank François I for its success with melons. He visited the city in 1537 and authorized local farmers to redirect the water from the Durance, allowing them to irrigate land that until then had supported only cereal crops. Thus Provence became one of first agricultural areas to profit from irrigation in France, and it quickly claimed the fast-growing, sun-loving melon — which had been grown in the area in prehistoric times — as its own. More than half of the 200,000 tons of melons grown annually in France come from the Cavailon region, which has the proper soil as well as the intense heat and sunlight needed.

The small melon of sunset-orange flesh we know today bears little resemblance to the fruit that brought Cavailon its early fame. According to one Cavailon historian, the melon of earlier times was as big as a rugby ball, with a thick, dark-green skin and rose-colored flesh. And, over the years, the number of varieties diminished from about 500 to a handful today.

The French court particularly loved melons: Louis XIV's gardener was known to have grown at least seven varieties for the king, and on at least one occasion Catherine



The ripening process.

"I have never eaten fresher, more flavorful or more palatable melons than those of my annuity," said Alexandre Dumas père, hoping that the people of Cavailon would always find his books as charming as he found their melons.

flesh, it falls into the category of netted, untinged melons. Melons profit from an extremely hot growing season in southern France. The year's first crop, 70 kilograms (154 pounds) of melons, arrived in the Cavailon market on April 10, and sold for a whopping 140 francs a kilo wholesale. But of those willing to pay the opening price were most likely disappointed.

The early melons, largely grown under plastic sheeting or tunnels with a little artificial heat, simply cannot offer the overpowering fragrance and density of flavor one finds in the plain campo, or open field, melons that appear from early July mid-September, when they can be found over Provence's retail markets at about three francs a kilo.

For maximum enjoyment, a melon should be consumed just slightly chilled (one poet was delighted that melon charmed the throat and cooled (2he best dozen oysters.) A ripe melon should seem a bit heavy for its size and be slightly soft at the stem. It is gloriously fragrant at the blossom end. Ripe melons should be stored at room temperature until soft and fragrant. Once melons will remain even-flavored and excellent if carefully chilled.

de Médicis suffered indigestion after over-indulging in the fruit. In 1777, Louis XV's wife, a noted gourmand, reportedly became extremely ill after eating an excess of chilled melons. (That was not, however, Marie Leszczyńska's first gastronomic indiscretion. The previous autumn she had lost consciousness after consuming some 15 dozen oysters.)

The most popular variety of French melon grown today is the Charentais, a variety that despite its name is the melon de Cavailon. With its yellowish-green, netted-looking, slightly ribbed skin and orange

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The most popular variety of French melon grown today is the Charentais, a variety that despite its name is the melon de Cavailon. With its yellowish-green, netted-looking, slightly ribbed skin and orange

كوكبنا العربي

TRAVEL

Castelli Romani: Retreat to the Hills

by Sari Gilbert

F RASCATI, Italy — In the past 22 centuries, Roman emperors and consuls, medieval princes and patricians, Roman Catholic popes and cardinals all had one thing in common: late spring and summer. When the eternal city became too hot and dusty for comfort, they fled inland toward the lush, breezy hills southeast of the capital — an area that had the added advantage of being free of the malaria that plagued much of the countryside.

More than 2,000 years after the custom again, malaria is no longer a problem, but much else has changed. When the warm sun comes, many better-off Rome families move to summer houses in the Castelli Romani, as the 13 towns in the area are called because of their history as feudal fiefdoms. Small hotels and pensions in the region also do a thriving business. In the hills, the air is decidedly cooler, the scenery is and the wine abundant.

Indeed, the white wine of the Castelli, the best of more than one poem or song in the local dialect, is probably responsible for much of the area's drawing power as a destination point for the Rome family's traditional weekend or Sunday outing. The slopes of the Alban hills are dotted with restaurants and trattoria. At many intersections are stalls where the rapidly diminishing carcasses of wild boar advertise one of the region's specialties, and roadside vendors vie with another to give the best price on wild mushrooms, raspberries and the magnificent porcini yielded up by the thick forest.

Castelli Romani can offer more than just air and good food to the visitor with an interest in history and art. The Castelli coastline extends with the area south of Rome that was originally settled by the Latins and eventually conquered by the Romans. After the barbarian invasions came a period of domination by the powerful feudal lords of Rome, whose castles became the nucleus of expanding townships. By the 17th century, much of the area had come under the direct control of the Holy See, by then the principal authority in Rome.

The region is about a 40-minute drive from downtown Rome, its farthest point little more than 40 kilometers (25 miles) away, and the centers of the towns are close to one another. In fact, people make excursions from Rome, in the case it might be best to do two or even three separate visits. Those with more time



Taking the air at Nemi.

to spare, and traveling in the off season, might like to stay overnight in one of the area's simple, inexpensive hotels.

The imposing Villa Aldobrandini, overlooking the central Piazza Marconi, was built by Cardinal Pietro Aldobrandini at the end of the 16th century. Like most of the palaces, it is not open to the public, but its magnificent gardens, with their statuary, fountains and grottoes, can be visited on weekday mornings. Villa Torlonia, with its lovely "water theater" designed by the Renaissance architect Carlo Maderno, is now the town park. Villa Falconieri was built in 1545 for Bishop Alessandro Ruffini and later enlarged under the direction of Borromini. The 16th-century Villa Tuscolana, also known as Villa Rufinella, was once owned by the royal family of Sardinia. The spacious Villa Mondragone, built in 1573, is owned by the Jesuits. The Frascati Duomo, or cathedral, in Piazza San Pietro, has a facade by Girolamo Fontana. The three-towered castle

in Piazza Paolo III is now the bishop's palace.

From Frascati it is a short ride to the meager but suggestive ruins of Tuscanum, which was probably settled by the Etruscans but according to legend was founded by Telegonus, son of Ulysses and the sorceress Circe. A few kilometers away is the Calmadori hermitage, founded by Pope Paul V in 1611. The road continues to two smaller Castelli: Monte Porzio Catone, where Cato is said to have had a villa and where the entrance to the town is through a monumental doorway in the old Borghese family palace; and Monte Compatri, which also has a Borghese mansion, now the city hall. Behind it is a network of medieval streets.

Midway between these two towns a road to the north leads to Colonna, the smallest and northernmost of the Castelli. The main road leads to Rocca Priora, at 768 meters (2,500 feet) above sea level. The lookout point in front of the medieval castle, which belonged to the Savelli family, gives out over the campagna and the wooded slopes of Mounts Artemisio, Tuscolo and Cavo.

Heading back to Rome, the road passes through the delightful town of Grottaferrata, whose abbey was founded by a Greek-rite Basilian monk, St. Nilus, in the late 10th century and fortified in the 15th by Cardinal Giuliano della Rovere, later Pope Julius II. An abbey museum is open in the mornings and late afternoons. Several times a day the bearded monks say Mass in Greek in the church of Santa Maria, which was consecrated first in 1025 and whose 13th-century Byzantine mosaics share the aisles with 18th-century winged angels. The Chapel of St. Nilus has 17th-century frescoes by Domenico.

If you intend to see the entire region in one trip, from Grottaferrata to Marino or Rocca di Papa you can pick up the Via dei Laghi and continue to the other Castelli. If you are setting out from Rome on a separate occasion, take the Via Appia Nuova out of the city to the turnoff on the left a short way past the Ciampino Airport.

Marino is a pleasant hill town, controlled during the Middle Ages by the Orsini and then the Colonna family, whose mansion is the city hall. The town has a couple of interesting churches, one of which, the church of the Trinita, has a painting attributed to Guido Reni. But it is best known for its wine festival on the first Sunday of October, when the town fountains run with white wine rather than water.

The road continues to climb, skirting Lake Albano, an extremely deep volcanic lake that was another site of imperial Roman vacation villas. An intersection to the left leads to the highest of the Castelli, rocca di Papa, built into the side of Mount Cavo as a 12th-century papal defense post. A signpost leading to Campi d'Ambibele refers to what is



"Porchetta" is a specialty of the region.

supposed to have been a camping spot for Hannibal's armies as they prepared in 211 B.C. to march on Tusculum and Rome.

The lake road continues to Nemi, a tiny town perched far above a smaller volcanic lake with a ninth-century castle, previously a stronghold for the Tuscolani counts, the Orsini and the Colonna, and now property of the Ruspoli. The town is known largely for its wild strawberries; there is a strawberry festival each spring. Nemi has ancient roots; the shore of the tiny circular lake, known as the Mirror of Diana, was the site of a temple to the goddess.

Continuing around the lake to Genzano di Roma, south of which is a turnoff for Lanuvio, resettled in the 11th century by Benedictine monks after centuries of decline. Parts of the medieval town, including a small Colonna palace and a fortification tower, remain. On the way back to Rome the Via Appia passes through Genzano, founded by Cistercian monks and best known for its infiorata, a festival on the Sunday after Corpus Christi, when the road to the cathedral is carpeted with religious portraits made out of flower blossoms.

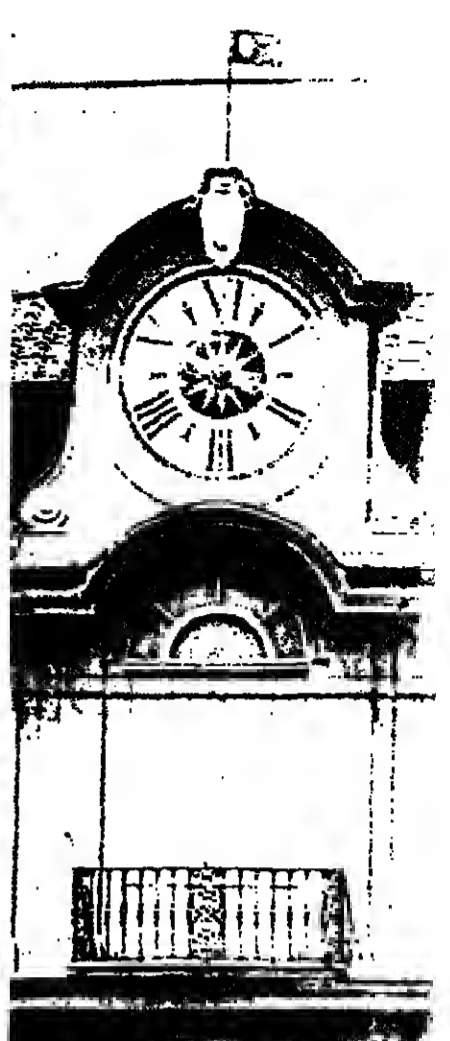
Albano Laziale is a large, bustling city believed to have been built over the Castrum Albana, the camp that the Emperor Septi-

mius Severus built for the Second Roman Legion in 195 A.D. There is an ancient Roman cistern still in use. The medieval Santa Maria della Rotonda was built on the site of the nymphaeum of Domitian's villa.

Over the hill from Albano is Castel Gandolfo, overlooking Lake Albano. On the site of Alba Longa, which legend says was founded by Ascanius, son of Aeneas, its original castle was built by the Genoese dukes of Gandolfo but later passed to the Savelli. The town is best known as the summer residence of the pope, a tradition that began when Urban VIII had it rebuilt in the early 17th century. The loggia and the scalone (staircase), added by Alexander VII, were designed by Bernini, as was the nearby church of San Tomaso di Villanova and the fountain in front of it.

Most exciting perhaps for history lovers is Castel Gandolfo's emissarium or lake outlet, a 1,400-foot passage tunneled out of solid rock to keep the water level constant in the spring-fed lake. The tunnel was built by the Romans, possibly as long ago as 397 B.C., and still serves its original purpose.

Sari Gilbert is a Rome-based journalist who contributes to The Washington Post and the Boston Globe.



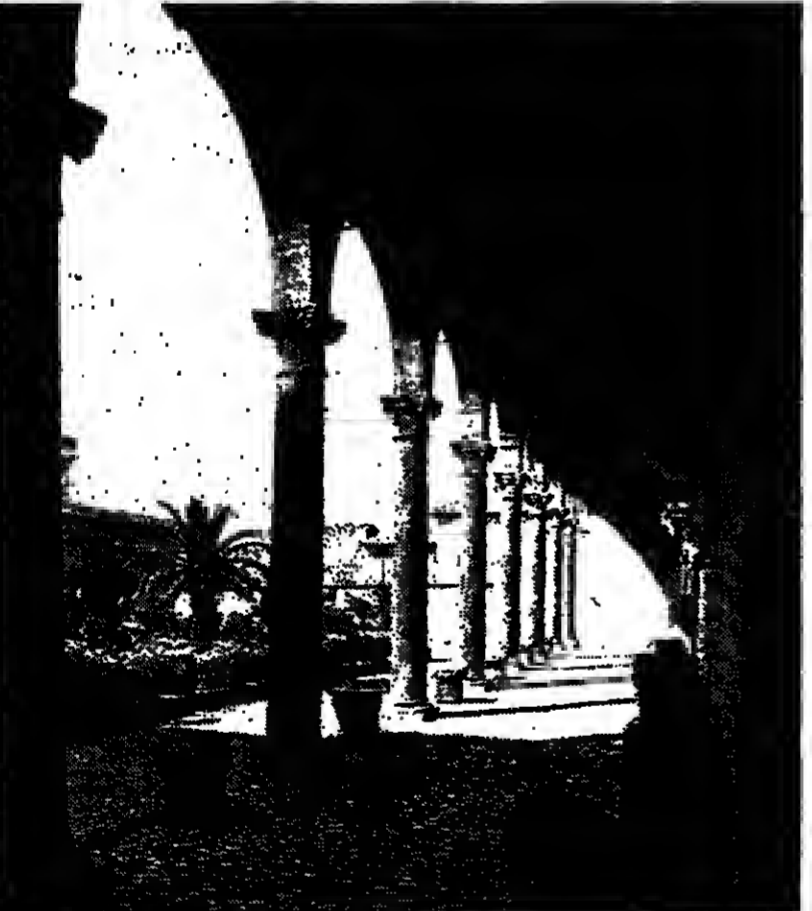
Monks at the Abbey of St. Nilus.



Monks at the Abbey of St. Nilus. Above, clock at Castel Gandolfo.

in Yunnan

white passing... also... the word... of it on... with the... surrounding... the hearing... which are... the lake... forest... Castell... air and good... in history and... a large extend... that was originally... and eventually... After the barbarian... of domination by... of expanding townships... with an... of the Holy See, by then the... in Rome... region is about a 40-minute... kilometers (25 miles) away, and... of the towns are close to one another... people make excursions from Rome, in... case it might be best to do two or even... separate visits. Those with more time



quiet courtyard at the Abbey of St. Nilus.

Cavaillon

There are... eaten... in the... harvest... melons... of my... said Alex... in... Cavaillon... the... of... found...

lands

Continued from page 7

allow water, we reached places that have been inaccessible to other boats of the archipelago, sleeping in tents and doing our cooking. The real adventure was being in high winds in the outermost isles.

boon to the independent traveler in the pelago is the four youth hostels, which have no age restrictions. This is an inexpensive and flexible way to travel, offering the intimacy to meet other travelers.

Fjardang, one of the most beautiful in the southern archipelago, with its forests and sheltered coves, the hostel is a gem. Built in 1914, it is the only on the island. Guests at the hostel — most — have the island to themselves. There is no electricity. Heat is provided by a peat fire, lit by paraffin lamps. There is a regular boat service. The hostel warden lives on another island, fetches mail at the nearest regular boat stop, and is brought to the island or out in advance through the warden.

Boat trips to Bullero cost about \$11. Musesum open daily, June 9-Aug. 22; admission free. Day tours to Sandhamn via canal cost \$10. Both can be booked through Stockholm Information Service (Sweden House, Kungstradgarden, Box 7542, S-103 93 Stockholm, tel. 789 24 17).

At Stockholm Information Service you can also buy Waxholm Co.'s intersky ticket for \$15, good for two weeks of unlimited travel on more than 20 routes, or rent sum-

mer houses in the islands for \$190 and up a week (but be warned, many are a long way from the water).

Boat trips to the national park on Angso run twice a week for \$4, private trip for \$26, from Vettershaga, which is reached by bus; tel. (176) 643 25.

One can charter a yacht with skipper through agencies such as Swedeyacht Charter, tel. (766) 459 20. Cost, from \$900 a week for a 39-foot boat with room for five passengers to \$2,100 a week for a 53-foot yacht for five. Food is extra.

Adventure (Adventure) Travel Bureau (54 11 55) has yachting trips all summer for individuals and groups at \$420 a week per person, including food. The company organizes weekly kayaking trips, from early June through Aug. 29 (except the third week of June, Midsummer week) at \$260 a week including food.

As of 1984, fishing is permitted practically everywhere in the archipelago, provided nets are not used. The most common catches are pike, perch, Baltic herring and pike perch. Hunting is prohibited, with one exception: A single day's hunting of hare, roe deer or duck is allowed under the supervision of the city forest officer in Hanninge, a municipality close to Stockholm, who issues a one-day hunting license and a rifle.

Youth hostels cost \$7 to \$9 a night. Booking, which is recommended, is through each hostel. Fjardang, tel. (750) 508 00; Moja (766) 643 12; Gallo (766) 661 17; Stora Karlsholmen (766) 650 90 or (764) 460 23. Rooms have two to six beds, and guests do their own cooking. Alcohol is not permitted.

There are few hotels in the archipelago. On Waxholm, a good distance from the mainland, is the Waxholm Hotel, (764) 301 50, which is the archipelago's best hotel and has the best restaurant in the islands.

2for1 advertisement for International Herald Tribune. Includes a table of subscription rates for various countries and a form for ordering a subscription. The table lists countries like Austria, Belgium, Denmark, Finland, France, Germany, Great Britain, Greece, Netherlands, Ireland, Italy, Luxembourg, Norway, Portugal, Spain, Switzerland, and others, with rates for 1 year, 6 months, and 3 months. The form includes fields for name, address, city/country, and telephone number, and options for payment method (check or credit card).

NYSE Most Actives table with columns: Vol, High, Low, Last, Chg.

Market Sales table with columns: NYSE 4 p.m. volume, NYSE adv. volume, etc.

NYSE Index table with columns: High, Low, Close, Chg.

Thursday's NYSE Closing logo with 'Via The Associated Press' text.

AMEX Diary table with columns: Class, Prev.

NASDAQ Index table with columns: Class, Chg., Prev.

AMEX Most Actives table with columns: Vol, High, Low, Last, Chg.

Dow Jones Bond Averages table with columns: Class, Chg.

NYSE Diary table with columns: Class, Prev.

Odd-Lot Trading in N.Y. table with columns: Buy, Sales, %Err.

Dow Jones Averages table with columns: Open, High, Low, Last, Chg.

Standard & Poor's Index table with columns: High, Low, Close, Chg.

NASDAQ Diary table with columns: Class, Prev.

AMEX Stock Index table with columns: High, Low, Close, Chg.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect into trades elsewhere.

Shares Rise Again in New York

NEW YORK — Shares on the New York Stock Exchange scored a gain for the second consecutive day Thursday as bargain-hunting by large and small investors boosted prices in moderate trading.

AT&T was the most active NYSE-listed issue, falling 2 1/4 to 2 3/4 after filing for protection from creditors under Chapter 11 of the federal bankruptcy laws Thursday morning.

Table of stock prices with columns: 12 Month High, Low, Stock, Div, Yld, PE, 52 High, Low, Close, Chg.

Table of stock prices with columns: 12 Month High, Low, Stock, Div, Yld, PE, 52 High, Low, Close, Chg.

NOTICE OF ERROR: Concerns NOTICE OF REDEMPTION TO THE HOLDERS OF ECU 40,000,000 THE INDUSTRIAL BANK OF JAPAN FINANCE COMPANY N.V.

Large table of stock prices with columns: 12 Month High, Low, Stock, Div, Yld, PE, 52 High, Low, Close, Chg.

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Statistics Index
AMERICAN EXPRESS
FRIDAY, JULY 18, 1986

TECHNOLOGY

Designing Computers to Fit The Foibles of the Users

By CALVIN SIMS
New York Times Service
NEW YORK — People having computer systems designed often find they are not very good at specifying what they want the system to do or how they want it to work.

Most prototyping techniques do not account for the human element.

FOR EXAMPLE, Mr. McLaughlin said, there are users who think intuitively and those who think systematically. The intuitive thinker wants the computer system to produce graphs, charts and trend lines, whereas the systematic thinker wants quantitative information such as numbers, dates and facts.

See DESIGN, Page 15.

Amexco Net Leaps By 156%

First Boston Says Profit Declined

Compiled by Our Staff From Dispatches
NEW YORK — American Express Co. said Thursday that its net profit jumped 156 percent in the second quarter to a record \$359.9 million, and attributed the improvement to exemplary performance by all four of its industry segments.

In a separate report, First Boston Corp., the U.S. investment banking and securities concern, said its second-quarter profit fell nearly 52 percent to \$21.6 million, a major turnaround from a strong first quarter.

American Express, a financial services and travel company, said its profit per share rose to \$1.59, from 61 cents on earnings of \$140.2 million in the 1985 quarter.

Revenue rose about 25 percent to \$3.62 billion from \$2.90 billion. The results included a \$88-million after-tax gain from the sale of nine million shares in its Fireman's Fund Corp. unit in May, the company said.

Net income from Travel Related Services rose 18 percent to \$165 million from \$139 million in the 1985 period.

Charge card volume grew 14 percent to \$15.7 billion, and the number of cards in use grew 7.8 percent to 22.9 million. An increase in the annual fee for the U.S. personal card was more than offset by increased marketing expenditures, the company said.

Net profit at Amex Life Assurance Co. rose 31 percent during the quarter to \$17 million from \$13 million in the 1985 period.

The Shearson Lehman Brothers segment reported second-quarter net income of \$60 million, up 9.7 percent from \$55 million.

The American Express Bank posted a 13-percent increase in profit, citing a lower effective quarterly tax rate and strong performance in private banking, foreign exchange and treasury activities.

IDS Financial Services reported 30-percent profit growth, reflecting securities sales gains and a surge in mutual fund sales.

Revenue was up 31 percent to \$7.23 billion from \$5.53 billion.

First Boston said its per-share profit fell to 64 cents in the second quarter, from \$1.56 on earnings of \$44.8 million in the 1985 quarter.

Revenue was down about 10 percent, to \$240.6 million from \$263.6 million.

The dismal results offset a buoyant first quarter, when profit nearly tripled to \$70.4 million, and revenue doubled to \$393.9 million.

Treating Argentina's Old Ailment To End Stagnation, Alfonsín Proposes Privatization

By James L. Rowe Jr. Washington Post Service

BUENOS AIRES — A year ago, President Raúl Alfonsín administered shock treatment to Argentina's ravaged economy, imposing stiff wage and price controls to slow inflation from an annual rate of more than 1,000 percent to 50 percent today.

Now Mr. Alfonsín appears ready to tackle the country's other major economic blight: the decades-long stagnation that has brought Argentina's decline from one of the world's richest nations to a middle-income country with a huge foreign-debt burden.

But the steps Mr. Alfonsín and his major economic advisers say they want to take will require a major break with Argentina's tradition of state-centered economic policies, as well as a struggle with the interest groups that benefit from those policies.

The core of Mr. Alfonsín's plan for reforms is the sale of many state enterprises to private interests, the gradual removal of protectionist barriers that allow Argentina's industry to remain high in cost and inefficient, and the deregulation of much of the rest of the economy.

A more competitive, more efficient economy in which inflation is under control should attract the investment that Argentina needs for growth, officials say.

Mr. Alfonsín, for example, is trying to lure back oil companies that were ejected from the country two decades ago. And this week, he visited Japan in an effort to attract investors to Argentina.

Skeptics, including Enrique Szewach, a respected economist, question Mr. Alfonsín's commitment to change Argentina from an inward-looking economy to a competitive one.

Indeed, most of the moves so far appear to be symbolic. The country is not planning to sell most of its biggest and costliest public companies: communications, utilities, the railroads and petroleum.

The biggest single expense item in this year's budget, for example, is the subsidy to the railroad industry.

"It is not possible politically to sell them today," said Roberto Lavagna, secretary of industry and foreign trade.

It also is unclear how much freedom the government is willing to allow potential buyers of other state enterprises, such as its steel and petrochemical operations.

Many economists say that purchasers must be permitted to get rid of excess employees, to buy low-cost foreign supplies and to have foreign partners.

Even so, the money needed to buy the government companies may not be found in Argentina. In addition, economists wonder whether Argentine businesses, so accustomed to protection, government subsidies and tax breaks, are capable of operating in a competitive environment.

"Inflation there is no entrepreneurs," said Mr. Szewach, who heads the respected research institute FIEL. "It is impossible to measure efficiency when prices are rising 100 percent or more."

See ARGENTINA, Page 13.



President Raúl Alfonsín

AT&T Net Falls 8.5% in Quarter; ITT's Rises 35%

Compiled by Our Staff From Dispatches
NEW YORK — American Telephone & Telegraph Co.'s earnings, hurt by a 26-day strike by communications workers, fell 8.5 percent in the second quarter, the company reported Thursday.

ITT Corp., meanwhile, said its second-quarter profit jumped 35 percent to \$159.8 million.

AT&T, the world's largest telecommunications company, said it earned \$422 million, or 37 cents a share in the April-to-June period, compared with \$461 million, or 41 cents a share, a year earlier.

Revenue for the quarter fell 1.6 percent to \$8.42 billion from \$8.56 billion a year earlier.

For the first half of 1986, AT&T said it posted profits of \$952 million, a 16.8-percent increase over profits of \$815 million in the first half of 1985.

Earnings per share rose to 84 cents from 72 cents a year earlier. Revenue rose 1.6 percent to \$17.13 billion from \$16.87 billion.

AT&T said the strike reduced its profit by as much as \$140 million, or 13 cents a share, but that "a portion" of that sum is expected to be recouped in the course of business as the year unfolds.

About 155,000 long-distance operators, installers and factory workers belonging to the Communications Workers of America struck AT&T on June 1. They returned to work June 27.

ITT's chairman, Charles Brown, described the company's long-distance business as "robust" and said that sales of switching equipment to the telephone industry remained at targeted levels.

He said the market for equipment installed on the premises of businesses, however, was "decidedly soft, reflecting conditions throughout the industry."

ITT, the huge financial services and industrial conglomerate, said its profit per share came to \$1.05 for the second quarter. In the 1985 period, net earnings were \$118 million, or 78 cents a share.

Total sales rose 23 percent to \$5.9 billion from \$4.8 billion. Revenues from its insurance and finance sector rose 31 percent to

\$2.5 billion. The results posted by the company's diversified services group also were significantly improved over the 1985 period.

But the Sheraton hotel group suffered from a loss on the sale of a hotel facility and lower occupancy rates, principally in North America, ITT said. Income from the telecommunications sector also declined primarily because of poor returns from Nigerian telecommunications contracts.

Industrial technology earnings continued to be strong, the company said, aided by improved results in automotive products, and more foreign exchange rates with the decline of the dollar.

Housing Starts Decline in U.S.

Compiled by Our Staff From Dispatches
WASHINGTON — Housing starts declined 0.8 percent in June, the second consecutive monthly decline, but construction for the first half of 1986 still remained ahead of last year's pace, the U.S. government said Thursday.

The Commerce Department said that new homes and apartments were built at an annual rate of 1.85 million units last month after a decline of 7.9 percent in May.

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Total sales rose 23 percent to \$5.9 billion from \$4.8 billion. Revenues from its insurance and finance sector rose 31 percent to

\$2.5 billion. The decline in the June construction rate was attributed to a 1.9-percent fall in construction of single-family homes to an annual rate of 1.22 million units, compared to a revised rate of 1.247 million in May.

(AP, UPI)

French Trade Deficit Narrows 40%

Revers
PARIS — The French government said Thursday that the merchandise trade deficit narrowed by 40 percent in June, but some analysts said that the underlying export performance, especially in the industrial sector, remained disappointing.

In a separate report, the government said unemployment fell by 0.3 percent in June, a turnaround from the average monthly rise of 0.7 percent in the previous five months of 1986.

The trade deficit, adjusted for seasonal factors, narrowed to 1.26 billion francs (\$180 million) from 2.1 billion francs in May.

But the improvement resulted from a bigger surplus in the agricultural and food sector and a lower energy deficit, largely the result of falling oil costs and the weaker dollar, the government said.

The surplus on industrial trade contracted to 1.7 billion francs from 2.4 billion francs in May, and was well below last year's monthly average of 6.9 billion francs.

"This is the crucial challenge for the government — they're not improving their competitiveness," said Paul Horne, a senior analyst for Smith Barney Harris Upham & Co.

Trade Minister Michel Noir has singled out the declining industrial surplus as a major cause for concern. Mr. Horne said that French manufacturers were not investing enough in competitive technology and had excessive labor costs.

Imports rose to a seasonally adjusted 73.4 billion francs, up 3.5 percent from May, while exports rose 4.8 percent to 72.1 billion francs.

The jobless figures published Thursday showed that seasonally adjusted unemployment fell to 2.44 million last month, or just over 1 percent of the work force, from 2.45 million in May.

Imports rose to a seasonally adjusted 73.4 billion francs, up 3.5 percent from May, while exports rose 4.8 percent to 72.1 billion francs.

See JARDINE, Page 13.



FOR PRIVATE BANKING IN SWITZERLAND, AN EXCEPTIONAL BANK

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For certain clients we also provide American Express Bank Gold Card® privileges and our exclusive Premier Services.™

TRADE DEVELOPMENT BANK An American Express company

Trade Development Bank head office in Geneva, at 96-98, rue du Rhône.

Currency Rates

Table with columns for Currency, Bid, Ask, and other rates. Includes entries for London, Zurich, and other European centers.

Interest Rates

Table with columns for Currency, Rate, and other financial data. Includes entries for U.S. Dollar and other currencies.

Interest Rates

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Jardine, in Major Step, Restructures Its Assets

By Patrick Smith
International Herald Tribune
HONG KONG — A restructuring of assets at Jardine Matheson & Co. this week marks a significant step in the British trading house's effort to withdraw from Hong Kong.

The plan will make Jardine, which has a 36-percent interest in Hong Kong Land, the largest shareholder in the newly independent company. The share offer is to be "approximately equal to Dairy Farm's book value," Mr. Keswick said.

"In effect, Jardine is gaining direct control of a very profitable company without paying a premium for it," said Carlton Poon, research director at Vickers da Costa & Co.

In explaining the proposal, Mr. Keswick emphasized that Dairy Farm, a food producer and retailer, is better placed as part of the Jardine trading empire than as a division of a property and hotels concern.

"Dairy Farm is a goodwill business embedded in an asset business," Mr. Keswick said in an interview Thursday. "Jardine has a great deal of experience in both marketing and distribution."

But executives associated with the company acknowledged that taking control of Dairy Farm is part of Jardine's long-term strategy to reduce its exposure to property and other fixed investments in Hong Kong.

Unemployment In Britain Rises

Revers
LONDON — Unemployment in Britain rose a seasonally adjusted 15,000 in June to a provisional total of 3.22 million, or 13.1 percent of the adult work force, the Employment Department said Thursday.

In May, unemployment rose 5,200. The May increase had originally been provisionally put at 5,800.

The unadjusted jobless total, including school leavers, fell 42,000 in June to 3.23 million, but was 51,000 higher than in June last year. Seasonally adjusted, unemployment totaled 3.12 million in June 1985. In the recent data the government included self-employed for the first time, giving a broader work force base for calculating the jobless rate.

Thursdays NYSE Closing

Tables include the nationwide prices as to the closing on Wall Street and do not reflect late trades elsewhere.

Table with columns: High, Low, Stock, Div. Yld. PE, 52 Wks High, Low, Open, Close. Lists various stocks and their performance.

(Continued)

Table with columns: High, Low, Stock, Div. Yld. PE, 52 Wks High, Low, Open, Close. Continues listing various stocks.

Table with columns: High, Low, Stock, Div. Yld. PE, 52 Wks High, Low, Open, Close. Continues listing various stocks.

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Large table with multiple columns listing various international stocks, including companies like Shell, BP, and others, with their respective prices and movements.

Table with columns: High, Low, Stock, Div. Yld. PE, 52 Wks High, Low, Open, Close. Lists various international stocks.

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U.S. Futures

Via The Associated Press July 17

Table for U.S. Futures: Grains. Columns: Wheat, Corn, Soybean Meal, Soybean Oil.

Table for U.S. Futures: Cattle, Hogs, Pork Bellies.

Table for U.S. Futures: Live Cattle, Live Hogs.

Table for U.S. Futures: Pork Bellies.

Table for U.S. Futures: Cattle, Hogs, Pork Bellies.

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West German Surplus Is Expected to Widen

FRANKFURT — This year's sharp fall in the oil price in Deutsche mark terms will lead to a clear widening in 1986 of West Germany's current account surplus, which would otherwise have narrowed, the Bundesbank said Thursday in its July monthly report. Outside the energy sector, factors are at work that already point to a correction to the surplus. They include "secondary effects" on both imports and exports from the oil price drop. West Germany had a record current account surplus of 39.8 billion DM (\$18.5 billion) in 1985, and a record trade surplus of 74.4 billion DM, latest Bundesbank figures show. The current account measures a country's trade in goods and services as well as interest, dividends and certain transfers. Spending on energy imports totaled 95 billion DM in 1985 or 5.2 percent of gross national product, 3.5 percentage points more than in 1972, the Bundesbank said. In 1986 energy import spending will fall considerably but still remain above the level in 1972, the last year before the first oil price shock. In the first five months of this year energy spending was 35 percent below the same 1985 period, despite a 10-percent rise in energy imports by volume. But over the whole year the decline in prices should become more noticeable, as oil import prices were still relatively high in the early part of this year. The bulk of cuts in gas import prices normally occurs in the second half of the year, and the strong increase in energy imports by volume in the early part of the year should result in more moderate demand later this year, the Bundesbank said. Assuming the oil price in dollar terms holds at for the rest of the year at its mid-1986 level, and the dollar/mark rate does not fluctuate sharply, West Germany's energy import bill this year should fall to around 50 billion DM, or 2.5 percent of GNP, the total output of West Germany's goods and services, including the real rise in energy imports. West Germany's energy trade deficit, taking into account energy exports, will be halved to some 40 billion DM.

NYSE High-Lows

Table with columns: High, Low, Stock, Div. Yld. PE, 52 Wks High, Low, Open, Close. Lists various international stocks.

GM Study Seeks to Cut Car Costs by \$1,800

DETROIT — General Motors Corp. has begun a project to reduce the cost of building cars by an average of \$1,800 each in an effort to improve its position in the increasingly competitive U.S. market, its executive vice-president, Lloyd Reuss, said Thursday. Mr. Reuss, who heads the company's North American car group, also said in an internal GM publication that the reorganization of some engineering operations of the world's biggest automaker is going "much slower than anticipated." GM now offers more car models than it should, he said. The company also announced Thursday that it had approved plans for a front-wheel drive, plastic-body minivan to be marketed by its Pontiac and Chevrolet divisions by the end of the decade. (Reuters AP)

Bottom section containing various small advertisements and notices.

BUSINESS ROUNDUP

Coca-Cola Profit Rose in 2d Period

The Atlanta-based company said it earned \$225 million, or 58 cents a share, in the three months ended June 30, compared with \$196 million, or 50 cents a share, in the 1985

Bank Organisation of U.K. Pays Pretax Profit Rose 12%

Profits from the British hotel division suffered from the decline in overseas bookings, particularly from North America, Rank said. The unaudited interim results exclude Britlin's Ltd., Leisure Holidays Ltd., Haven Leisure Ltd. and Rank Travel Ltd., Rank added.

JAPAN NOTES

Pipeline Co. has pulled out of an agreement to buy quantities of natural gas from Mobil Oil Co. The decision on customers' buying directly from Houston, had agreed to buy 500 billion cubic meters of gas over 25 years from Mary Ann field in the Gulf of Mexico.

Xiamen Bank Reports Profit

BEIJING — Xiamen International Bank, China's first joint-venture bank, set up in November, made a profit of 8.53 million Hong Kong dollars (\$1.1 million) in the first half of 1986, the official Xinhua news agency said Thursday.

American Can, Triangle Sign Pact

NEW YORK — Triangle Industries Inc. said Thursday it had signed a definitive agreement to buy American Can Co.'s packaging business for a price to be set on book value on the closing date.

Caerist Bonds Are Dropped

LONDON — The London Stock Exchange said Thursday that the listing for Russian bonds that was temporarily suspended ahead of a British government statement on settlement of Anglo-Soviet financial claims has been canceled.

AG, the West German supermarket chain, staggers in the first half of this year.

AG, the West German supermarket chain, staggers in the first half of this year. The company may place a block of shares on the bourse, according to the managing board chairman, Ditto.

BUSINESS PEOPLE

American Express Bank Promotes 3 Executives

By Brenda Erdmann International Herald Tribune LONDON — American Express Bank Ltd., the international banking arm of American Express Co., has promoted three senior vice presidents to executive vice presidents.



John Hougham

has named Hermann Ehrenberger as country head for West Germany and Austria. Mr. Ehrenberger, who is based in Munich, has also been appointed a vice president of Security Pacific Eurofinance and Geschaftsbank, Security Pacific International Leasing GmbH. He was a member of the business management team of Deutsche Factoring Bank in Bremen and chairman of Factors Chain International, the worldwide association of factoring organizations.

Irving Trust Co. of New York has appointed Victor R. Palazzo manager of its Europe division and a senior vice president of the company. The division serves central and commercial banks, government agencies and local businesses in Europe and Canada. He was general manager and chief executive officer of Banco Irving Austral, a unit of Irving Trust in Argentina.

Drexel Burnham Lambert Inc. has appointed Peter Gregory to head its newly formed international professional investor group, with responsibility for all securities activities in Europe and the Far East. Mr. Gregory, who has been with Drexel Burnham since 1972, has been responsible for the firm's Far Eastern offices since 1981.

ARGENTINA: After Decades of Stagnation, a Move to Sell State Firms

to modernize an economy that has consciously featured the state as either the center or arbiter of most economic activity. Slowly but surely, Mr. Alfonsín is conquering the ideologues in his own party, according to Mr. Bulgheroni of Bidas Group.

founder, however, on a lack of local resources to buy the state enterprises that the government wants to put up for sale. Finding a buyer for Somisa, which has been for sale for several months, will be difficult, according to Jorge Llados, a director of the company. The company's book value is \$800 million, he said, but replacing the facilities would cost \$5 billion.

Economy Minister Juan V. Sourrouille said it is wishful thinking to expect Argentines, who have billions of dollars invested abroad, to bring funds home without evidence of economic growth.

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Trilateral Group Study Urges More Coordination on Debt

BRUSSELS — Industrialized nations must replace "crisis management" of the world economy with more coordination to avoid problems such as massive trade imbalances and to resolve the Third World debt crisis, an international panel of businessmen, scholars and public officials said Thursday.

call attention to deviations from agreed policy targets. On Third World debt, the report said that packages of new credits, most likely greater in size than what was suggested in the plan of James A. Baker 3d, the U.S. treasury secretary, should be given by commercial banks in the industrialized nations to debtor countries.

JARDINE: Restructures Assets in Effort to Withdraw From Hong Kong

(Continued from first finance page) interest in Hong Kong Land. Mr. Keswick has discussed such a sale with numerous local and overseas companies over the past year, without reaching an agreement on the price of Land's shares.

million in preferred stock that is convertible into Hong Kong Land shares. The issue will effectively reduce Jardine's interest in Land by about 20 percent. Mr. Keswick suggested in the interview that the hotel division of Hong Kong Land, Mandarin Hotels Ltd., may eventually be transferred into a services company by selling off its underlying properties.

Land's stockholders, who will be entitled to receive equal shares in the newly listed company. The Dairy Farm shares are expected to trade at a substantial premium to their issue price. Hong Kong Land shares ended Thursday at 5.85 Hong Kong dollars (75 cents), a decline of 10 Hong Kong cents.



Consolidated Highlights at March 31, 1986

Table with 2 columns: Item and Value. Total assets: 17,544; Assets under management: 14,067; Net income: 397; Shareholders' equity: 1,847; Allowances for losses: 428.

* Values expressed in US dollars adopting the lira-dollar exchange rate of end March 1986 (Italian lira 1,580.75/US \$ 1.00).

The Meeting of the Shareholders' of Istituto Mobiliare Italiano (IMI), held in Rome on July 9, 1986, approved a transfer of reserves to equity for an amount of 400 billion Lire. As a result of the Shareholders' decisions and of the July 1st capital increase, the equity structure of IMI and of the IMI Group can be summarized as follows:

Table with 2 columns: Item and Value. Capital: 1,044; Statutory and other reserves: 932; Shareholders' equity: 1,976; Allowances for losses: 428; Total: 2,404.

ISTITUTO MOBILIARE ITALIANO Public Law Credit Institute Head Office in Rome

UNICO INVESTMENT FUND The semi-annual report 1986 together with the annual report 1985 and the prospectus of the Fund may be obtained from the Paying Agents and from Amsterdam Liaison Office: N.Z. Voorburgwal 162-170, 1012 SJ Amsterdam/Holland. Tel. 20-262363. Tx. 15412.

Thursday's AMEX Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Table with columns: 12 Month High, Low, Stock, Div. Yld. PE, 52 Week High, Low, Close, Chg. Closes. Lists various stocks like ACI, AIG, AIA, etc.

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INTERNATIONAL FUNDS (Quotations by Funds Listed) 17 July 1986

Large table listing various international funds with columns for fund name, price, and other details. Includes sections like ALL-MANAGEMENT, BOND, EQUITY, and SPECIAL INVESTMENT FUNDS.

Floating-Rate Notes

Table listing floating rate notes with columns for currency, issuer, and other details. Includes sections for Dollars, Pounds Sterling, and Deutsche Marks.

Pounds Sterling

Table listing Pounds Sterling notes with columns for issuer, amount, and other details.

Deutsche Marks

Table listing Deutsche Marks notes with columns for issuer, amount, and other details.

GEFINOR S.A. Luxembourg

The annual general meeting declared the dividend of US \$ 15 per share. This dividend is payable against the coupon n° 1

MANUFACTURE FRANCAISE DES PNEUMATIQUES MICHELIN. 10% bonds 1979/1994 of U.S. \$1,000.00. Redemption before due date. Supplement to the advice published on July 8, 1986. Paying Agent: B.N.P. - PARIS

CURRENCY MARKETS

Dollar Mixed in Hesitant Trading

NEW YORK — The dollar was mostly lower Thursday in subdued and hesitant trading as the market sought for direction from central banks.

Table with 3 columns: Currency, Bid, Ask. Includes London Dollar Rates for various currencies like Deutsche mark, French franc, etc.

Thursday the dollar has dropped "as far as it can go." In London, the pound rebounded from recent oil price worries that were sidelined by the weak dollar...

Bonn Aide Says GNP Grew 3%

FRANKFURT — West Germany's gross national product grew at annual rate of more than 3 percent in the second quarter, a senior Finance Minister said Thursday.

EUROMARKETS

10-Billion-Yen Bond Issued for World Bank

By Christopher Pizzey. LONDON — The dollar-led sector of the Eurobond market ended on a slightly easier note as U.S. bonds traded lower...

lead managed by Bayerische Vereinsbank itself and Sumitomo Finance International. It ended in the total fees of 1 1/2 percent at a discount of 1 1/2 percent.

DESIGN: Suing the User

(Continued from first finance page) workplace, measuring how they perform certain tasks. An analysis of the data gathered produces the first prototype.

Company Results

Large table of company financial results with columns for company name, revenue, profit, and other metrics. Includes companies like American Express, Board (C.R.), Emery Air Freight, etc.

U.S. Basic Money Supply Rises by \$7.4 Billion

NEW YORK — The United States' basic money supply surged ahead by \$7.4 billion in early July, the Federal Reserve Board reported Thursday.

The Fed said M-1 rose to a seasonally adjusted average of \$673.9 billion in the week ended July 7 from \$666.5 billion the previous week.

Thursday's OTC Prices

Table of OTC prices for various stocks, including columns for stock name, price, and change.

Table of stock prices and market data, including columns for stock name, price, and volume.

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West German Surplus Is Expected to Widen

FRANKFURT — This year's sharp fall in the oil price in Deutsche mark terms will lead to a clear widening in 1986 of West Germany's current account surplus, which would otherwise have narrowed, the Bundesbank said Thursday in its July monthly report.

BOOKS

HOME: A Short History of an Idea

By Witold Rybczynski. 256 pages. \$16.95. Viking, 40 West 23d Street, New York, N. Y. 10010.

Reviewed by Jonathan Yardley

THE idea of "home"—"the house, but also everything that was in it and around it, as well as the people, and the sense of satisfaction and contentment that all these conveyed"—may seem as old as the hills, but as Witold Rybczynski demonstrates in this exceptionally interesting and provocative book, it is a relatively modern notion that did not really begin to take shape until after the Middle Ages. It is also an idea, in Rybczynski's idiosyncratic but highly persuasive view, that has been altered and endangered by contemporary architecture and interior design, which have abandoned traditional ways of creating comfort in order to place principal emphasis on artistic appeal.

Comfort: the word occurs over and over again in this study, for if the book is a history of "home" in the Western world it is also a meditation on the meaning of comfort, which Rybczynski heard mentioned only once in his six years of architectural study yet which he correctly regards as the key to our feelings about the buildings in which we live. It proved a more complicated and elusive inquiry than he had at first imagined, but eventually Rybczynski concluded that "domestic comfort involves a range of attributes—convenience, efficiency, leisure, ease, pleasure, domesticity, intimacy and privacy—all of which contribute to the experience." In the course of his brief yet highly informative analysis Rybczynski shows how all of these attributes evolved over centuries, combining to create a sense of "home" that we take entirely for granted yet that would have been unimaginable 500 years ago.

To begin with, in the Middle Ages the vast majority of people did not live in houses, they lived in hovels. Even the bourgeois, upon whom Rybczynski concentrates, lived in a way that most of us would find deeply offensive: "The medieval home was a public, not a private place. The hall was in constant use, for cooking, for eating, for entertaining guests, for transacting business, as well as nightly for sleeping." It was a place in which no one could be comfortable, as we now understand that word, not merely because the benches and beds were hard but because "comfort" was simply not an objective of medieval society.

In order for the modern home to take its certain crucial developments had to take place. Work and residence had to be separated into separate buildings, specific functions—sleeping, eating, cooking, congregating—had to be placed in specific rooms, and society had to place high value on two concepts virtually unknown in the Middle Ages: intimacy and privacy. These occurred most dramatically, Rybczynski argues, in the Netherlands in the 17th century, when an advanced bourgeoisie society that cherished individual independence began to replace the occasional "big house" with more sedate—and more private—homes. Yet it was the French, a century later, who took the next step forward with the perfection, during the Rococo period, of furnishing that, however overdone by 20th-century standards, was "above all, extremely comfortable." At last it was possible in the Western world—for the aristocracy and the middle class, that is—to sit in chairs that were designed for comfort rather than for an initial buildings whose designers had to think, however uncertainly, in terms of man and familial needs. Then, later in the century, the English developed the Georgian style, in which family life occupied center stage while domesticity and comfort became, for the first time, ends in themselves.

Comfort became a genuinely attainable ideal in the late 19th and early 20th century when machinery and power made the long hold efficient and manageable for the ordinary family that could not afford servants. The coming of electricity not merely vastly improved lighting and heating, it also allowed household tasks to be performed in a greater comfort, and thus brought a much needed relief to housewives. The importance of electricity cannot be overemphasized; it was the Georgian ideal of comfort with the mechanical means to achieve it, reaching a degree of efficiency and ease theretofore unimaginable.

But in the wake of electricity came, in 1920s, the modern age, with its arching and interior design emphasizing art—and it is—and ignoring comfort: "Philip Johnson and his students at Harvard, if I think that come a function of whether you think a chair is 'looking or not.' With characteristic wit, he went on to suggest that people who liked the appearance of the Barcelona chairs in his living room would enjoy sitting in them, even though his own admission, these are not very comfortable chairs." However wistfully stated, it is a critique that expresses nothing except a contempt for human comfort, and explains why much of modern architecture and design, loathed by the people who have little else to inhabit it. Small wonder that, as Rybczynski points out, a large market has been found for artificially nostalgic furnishings.

It may seem antediluvian to say so, but deep human longings that "home" embodies are far more satisfactorily treated in environments now considered "old-fashioned"—the high-tech surroundings so beloved of day's designers. A Barcelona chair may be a thing of beauty, but anyone in his right mind would rather sit in an overstuffed armchair home what we want is comfort, and the designer who refuses to provide it is of no service anyone except himself. As Rybczynski demonstrates, when it comes to making house into a home, they did it better yesterday.

Jonathan Yardley is on the staff of The Washington Post.

BRIDGE

By Alan Truscott

SOUTH brought home an apparently hopeless game on the diagramed deal, with a little help from the defense.

The contract was four hearts, reached because North contributed an aggressive raise of his partner's overcall.

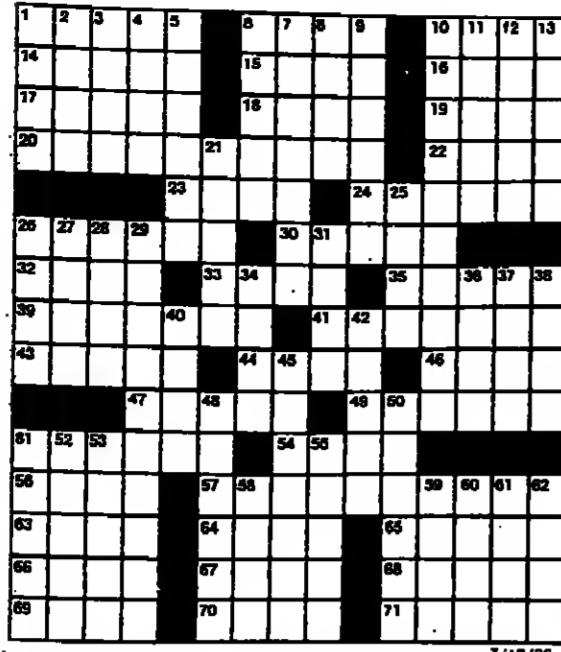
Even if South can collect the trump queen safely, he seems doomed to lose two diamonds and a trick in each black suit. There was one slight legitimate chance: if East held the club singleton or doubleton, and dummy was entered with a diamond lead to the ace, a diamond loser was discarded.

When the spade queen was led to the ace and the suit was continued, South accordingly won with the king, led to the heart king and tried the club three. The play was due to fail, but East fell from grace by snatching the club ace. He may have hoped that by playing the spade jack he would promote a trump trick for the defense.

As it was, South was in control. He ruffed low, and West's failure to overruff marked East with the trump queen.

The club king was cashed and dummy was entered with a diamond lead to the ace. A diamond loser was discarded on the club queen and South gathered in the trump queen to make his game.

Table with columns for North, West, East, South and card suits. Includes a small bridge diagram and a note: 'Neither side was vulnerable.' and 'West led the spade queen.'



ACROSS: 1 Ocelots have lots of... 6 Part of Q.E.F. 14 Game fish 15 Tenor Malmgren 16 Exclusive 17 Mauro's biography of Shelley 18 Pro... 19 Octagonal road sign 20 Home of the Daily Planet 22 This is below a poll 23 Bamako is its capital 24 Fled to wed 25 Fishy sign 30 Device for Figaro 32 Theta chaser 33 Cheerio 35 Expenses 39 Hipster's cousin 41 Doxy 43 Living 'teddy bear' 44 Kind of rug 46 New Rochelle campus 47 Teed off 49 Garment for a Model T driver 51 Catawbas, e.g. 54 Proper partner 56 Adriatic resort 57 Ancient ruined city on the Nile 63 Three monkeys' word 64 Drought ender 65 Byzantine empress 66 Eighteen-wheeler, for short 67 Farwells from Fabius 68 Teton or Wasatch 69 Fr. holy woman 70 Early dweller in what is now NW Iran 71 First word of many a script 1 Con 2 Ponder 3 Short post-mortem biog. 4 Layer 5 'Sadie' song 7 1909 Berlinling 6 Fannleroy 7 Twain or Whitman 8 Opposer 9 Eodysias 10 New York or Hong Kong 11 Available 12 Like Garbo 13 Did a job 50 Strike caller 51 Co-star of 'Cagney and Lacey' 52 Fastener 53 'Brother, Can You Spare...?' 1932 song 55 Wash cycle 56 Roof overhang 59 Algerian seaport 60 Period after Mardi Gras 61 'Picnic' author 62 Haruspex

© New York Times, edited by Eugene Malachuk.

DENNIS THE MENACE



"You can't retreat, Joey... it's your first move!"

JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

A word puzzle section with four grids labeled HIMEC, MESOO, BEEDAT, and TRUXAS. Below the grids are the answers: HIMEC: HONEY, MESS, ICE, CHIEF; MESOO: MESS, SOON, OUSE, OUSE; BEEDAT: BEE, EAT, TAD, DAB; TRUXAS: TRAX, XAS, SAT, TARS.

WEATHER

Table of weather forecasts for various regions including Europe, Asia, Africa, Latin America, North America, Middle East, and Oceania. Columns include location, high, low, and other weather indicators.

PEANUTS



BLONDIE



BEETLE BAILEY



ANDY CAPP



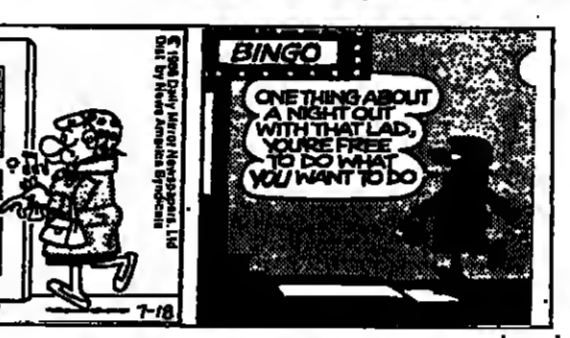
WIZARD of ID



REX MORGAN



GARFIELD

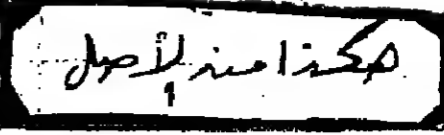


World Stock Markets

Table of world stock market data for July 17, 1986. Includes columns for market, closing price, and percentage change. Markets listed include Amsterdam, Brussels, Frankfurt, London, Paris, Tokyo, Zurich, and various regional indices.

Table of commodity and foreign exchange rates for July 16, 1986. Includes columns for item, price, and change. Items listed include various metals, grains, and currencies.

To Our Readers: Because of a strike at Agence France-Presse, the World Stock Market prices are incomplete in this edition. We regret the inconvenience to readers.



SPORTS

3 Join Boycott; IOC Appeals To New Delhi

By Bob Green The Associated Press

LONDON — Three more nations — the Bahamas, Sierra Leone and Papua New Guinea — said Thursday they would boycott the Commonwealth Games to protest Britain's refusal to impose economic sanctions against South Africa.

They joined Ghana, Kenya, Malaysia, Nigeria, Tanzania and Uganda in pulling out of the games, scheduled to begin July 24 in Edinburgh. India has postponed the departure of its team until Sunday while it considers a boycott and some Commonwealth nations in the Caribbean reportedly are considering withdrawing.

The president of the International Olympic Committee, Juan Antonio Samaranch, has appealed to Prime Minister Rajiv Gandhi to keep India in the games, the Press Trust of India reported Thursday. Samaranch urged Gandhi to "take into consideration the interests of the athletes."

Officials in New Delhi said a decision would be based on the outcome of Friday's meeting of front-line African nations in Harare, Zimbabwe. The Bahamas' sports minister, Livingston Cockley, was quoted by Nassau Radio as saying, "In view of the adamant position taken by the British government to date, the government finds itself unable to give any support, assistance, encouragement, or recognition to the coming Commonwealth games."

The British Broadcasting Corp. reported that Jamaica, Trinidad and other Caribbean nations were likely to decide by Friday whether to go to the games. (Reuters, UPI)

Canadian Athletes Punished

The amateur careers of six Canadian athletes who had been banned for the Commonwealth Games have been effectively ended by the country's sports minister, Otto Jelinek, because they used prohibited drugs in their training, The Associated Press reported from Ottawa.

Mr. Jelinek said that he had cut off, for life, the federal financial support for weightlifters Jacques Demers of St. Hubert, Quebec, Glenn Dodds of Peterborough, Ontario, and Mario Parente of Brocks, Quebec; discus thrower Rob Gray and shot putters Mike Toriolo and Peter Dajia, all of Toronto.

He said he took the action after tests by the Canadian Sport Medicine Council had shown positively for the second time that they had used prohibited drugs — anabolic steroids that enhance strength and endurance and increase body bulk.

Weather Winning at British Open

By Bob Green The Associated Press

TURNBERRY, Scotland — Only Ian Woosnam of Wales could match par with a 70 Thursday in the opening round of the 115th British Open golf championship on Turnberry's treacherous Ailsa course in biting cold and howling wind.

His feat surprised even Woosnam. "I didn't expect to shoot 70," he said. "I thought 77 or 78 would be a good score. I was just trying to stay in contention."

Instead, he was leading the oldest of golf's championships, and a disarrayed corps of the world's finest golfers was left to muller about what might have been.

"Pars were great, birdies fantastic, and if you managed to salvage par from the rough, that wasn't too bad either," said Nick Faldo of England, tied for second at 71 with Robert Les and Gordon Brand, both of Britain, and Anders Forsbrand of Sweden.

Lee Brand and Forsbrand finished in the gathering gloom of early evening after the winds off the Firth of Clyde subsided. "On a day like this, you just try to stay in the championship, keep your hopes alive," said Faldo, who birdied his last three holes.

"I'm looking 81 in the face and that's no fun," said Jack Nicklaus, the 46-year-old Masters champion, who shot 78.

"There are a lot of the best players in the world being humiliated out there," said Greg Norman of Australia after he struggled to 74. "If you take in the rough, the narrow fairways, the rough course, the weather, it's probably the toughest conditions I've played under," said U.S. Open champion Ray Floyd, who had an 8 in a round of 78.

"Brutal," said Deane Beman, the U.S. PGA Tour commissioner making an appearance as a competitor after 12 years as an administrator. Beman, in the second group off the tee and playing in the worst of the weather, birdied his last three holes for 75.

"Four days like this and the winning score might be 320," said Seve Ballesteros of Spain, who began the tournament with four consecutive victories and shot 76. The course, as much as the weather, was waist-deep in problems. The fairways were extremely narrow. "It was not the same golf course that it was in 1977," Nicklaus said.



Raymond Floyd kept the wind off himself during the British Open's first round, but the U.S. Open champion, who needs this title to sweep the Grand Slam events, soared to a 78.

In Scotland, 'Nae Wind ... Nae Golf'

The best, of course, was in 1977, when Tom Watson and Jack Nicklaus went head-to-head in an historic shootout.

The rough was sparse that year. The fairways were hard-baked as a result of a rare drought. There was no rain — and no wind.

Watson and Nicklaus took advantage of the lack of Scottish weather to stage the greatest woman show in the game's history. Nicklaus shot final rounds of 65 and 66 and had a 72-hole score seven shots better than anyone had ever played this tournament before.

And he lost. Watson had 65 in each of his final rounds and won with a 268 total. The worst weather came four years earlier, in the John Player Classic.

In the second round that Friday, a severe storm struck with savage fury, complete with rain, sleet, cold and winds that eventually exceeded 100 mph. Power lines were knocked down. Cases of bottled beer became airborne. The tented village was swept out to sea. More than a dozen people were injured. Play was held up shortly after winds reached hurricane force.

"The worst I ever saw, anytime, anywhere," said Arnold Palmer. "I feared for my life," said Tony Jacklin, who barely escaped being blown off a tee into the churning surf.

The weather for this year's British Open was forecast to be somewhere in between: certainly not as good as 1977 but, with any luck at all, not as bad as 1973.

Wednesday's final practice round was played in 40-mph winds, with chilly temperatures and an occasional shower. Thursday morning was no better, although conditions improved some as the day progressed.

"The winds made some of the final holes monstrous," defending champion Sandy Lyle of Scotland said after the final practice. "Under these conditions, par is about 78," he added, instead of the listed 70.

"That's good," said Seve Ballesteros of Spain, the pre-tournament favorite. "I shot 77." The forecast called for "moderating winds and showers" on the afternoon of the opening round, but there is no such thing as a long-range forecast. It depends on whether you can see the Ailsa Craig.

Conner's War To Win Back the America's Cup

By Bruce Stannard International Herald Tribune

HONOLULU — On a brilliant summer day, seven miles south of Honolulu, slender silver flying fish wing way up and out of a cobalt sea. Submarines and missile destroyers follow the fish, outward bound in the northeast trade winds that come down through the Mokai channel topping the long Pacific with average whitecaps.

High above the great bulk of Diamond Head, a black surveillance aircraft is escorted by jets in more ways than one, the center of U.S. activity in the Pacific. For the home of the U.S. 6th Fleet is also the staging base for Dennis Conner's \$20-million bid to regain the America's Cup, a crusade that is among one of the costliest and most determined in U.S. maritime history.

Conner, the man who lost the cup, says he is not at war, "he convinces me, one least of all the sailors. They have been whipped by him before although they triumphed in 1983, their respect for him sometimes seems to border on fear — just the way Conner likes it.

Conner is the commanding officer of, and the inspiration and driving force behind, what will be a no-holds-barred assault on Australia's cup defense next year in Perth and February. If sheer force of will was a sport, Conner probably would be on his way home to California with the cup already.

At NASA, the aerospace industry and so many of the defense Department's prime contractors heavily involved in the defense industry, it is hard to escape the conclusion that Conner has, in the name of winning a boat race, co-opted the mighty power of the U.S. military-industrial complex. His 19-member fund-raising committee of two former secretaries of defense, two former Chiefs of Staff.

Harold G. Harbo, a 68-foot (20.1-meter) trimaran, with almost all electronic gadgetry that one might expect to see aboard planes of the Strategic Air Command. The Harbo, whose computers monitor, record and analyze every aspect of Conner's trials, was only a few months ago working with Polaris missiles on a Navy submarine.

Conner's tax-exempt organization is called The Sail Foundation for International Understanding. Its 30-man design team, based in San Diego, is spending more than \$3.5 million on research and development of scientific and technical skills of such major firms as Boeing, General Dynamics, Hughes Aircraft, and MacDonnell Douglas have been available to Conner's test manager, Robert O'Connell, and David Pedrick, who are being coordinated by the circuits of mega-smart Cray X-MP/48 computers under the guidance of Scientific Applications International Corp., the designers have been working on the technological breakthrough that, they believe, will give them the devastating advantages of a winged keel gave the 1983 cup winner, Australia II.

According to Marshall, who that summer shared the cup with Conner, the reason they lost the cup was that they did not take big enough risks and did not have the courage to permit or encourage taking them. Australians won, he said, because they had a more radical design — a riskier, but a more radical design — a riskier, but a more radical design — a riskier, but a more radical design.

Conner has set up an elaborate intelligence network that apparently includes Oahu's eight air charter operators and the immigration authorities at Honolulu International Airport, who tip him off when spies leave into view.

He acknowledges, but does not really care, that the resounding success of his obsessive approach has riled vitriolic critics, including disgruntled rivals and writers who often find him cold and aloof. He has been attacked as a spoilsport and a workaholic who has turned the world's most glamorous amateur yachting event into a professional grind.

In reply, he says that he has never heard of anyone being criticized for the pursuit of excellence. His own undoubted excellence, reached long ago, continues to be held with single-minded determination. Nothing and no one is allowed to get in the way of winning. Conner is obsessive often to the point of being rude and deliberately offensive. Even his closest friends concede that. But there is more to the man than most people see. If one can get beyond the initial barriers, the tension, the frosty indifference, the dark suspicion of Australians and journalists, there can be found a shy man of considerable charm, sensitivity and intelligence, acutely conscious of his humble beginnings and equally clear-sighted about the historic niche he is determined to establish for himself. Not as the skipper who lost the America's Cup, but as the helmsman who, having done so, won it back.



Frank Conner: The man to beat

regarding yachting's holy grail. Months before the finals, the Conner campaign seems to be unstoppable.

He is campaigning two of the world's fastest 12-meter yachts in straight-line trials upwind and down, and then head-to-head, in ferocious duels over a simulated 24.5-mile (39.4-kilometer) America's Cup course. Both boats appear to be exceptionally fast in heavy conditions, and their crew work, even at this stage, is as flawless as the ultimate cup contender's must be.

Both yachts bear the name Stars and Stripes. That underscores the sense of emphatic national purpose that lies behind this attempt — one of six from the United States — to erase the painful memory of that day in September 1983 when Australia II ended 132 years of American dominance — the longest winning streak in sports history.

For Conner, 43, the man acknowledged as the world's finest, most experienced 12-meter helmsman, this is, in his words, "a chance to show the kids who's boss." Having lost the cup, he wants it back.

Apart from Liberty, Conner will have had a fleet of four from which to choose. The trials off Hawaii are determining whether he and his squad of 60 men bring two or three yachts to Fremantle at the end of August. Because Conner's campaign is recognized as the one to beat, he has been plagued by video camera-toting spies, including Australians who have hovered close to his boats in helicopters or bounced around at sea in rubber runabouts, trying to discover his secrets of hull and sail design. Conner said he is aware that the spies have included such key Australians as Kookaburra skipper Ian Murray, Bond syndicate sail coordinator Tom Schmeckelberg and tactician Hugh Trevelyan.

"We know when they're coming," he said, "so we put on a bit of a show for them. We wear our old sails and we goof off, dropping things in the water and wasting time. We show them nothing, so they go away thinking, 'Dennis isn't going to be any kind of threat.' Only we know how good we really are. Those guys will have to wait until they face us on the line off Fremantle, and by that time it will be too late."

Conner has been forced to employ a number of counterespionage techniques. All his boats, with the exception of Liberty, have identical sail numbers, 12 US 55. Their long, grey-blue hulls, at least above the waterlines, are so similar that even the crews sometimes find it hard to tell them apart.

Below the waterlines, in a blue that blends with the sea, are the winged keels that they have been testing in Hawaii for months. The boats, secured inside barbed-wire-topped perimeter fencing at the University of Hawaii's marine research facility, are protected around the clock by armed guards. All visitors are subject to security checks.

Conner has set up an elaborate intelligence network that apparently includes Oahu's eight air charter operators and the immigration authorities at Honolulu International Airport, who tip him off when spies leave into view.

SPORTS BRIEFS

U.S. Boxer Is Reinstated, Defeated

MOSCOW (AP) — The U.S. boxer Harvey Richards, who said he lost his motivation to continue fighting in the Goodwill Games after being disqualified by a Soviet referee, was reinstated Thursday. A four-member competition jury — a U.S. team manager and three Soviet officials — ruled the fight a no-decision. Their ruling was approved by the president of the International Amateur Boxing Association, but later in the semifinals Richards was stopped at 1:06 of the third round by Andrei Karavayev of the Soviet Union.

Ruttiman Wins, Hinault Retains Lead

BLAGNAC, France (UPI) — Niki Ruttiman of Switzerland barreled ahead Thursday to win the 154-kilometer (95-mile) 14th stage of the Tour de France bicycle race, with La Vie Claire teammate Bernard Hinault of France retaining the overall lead.

Quotable

Manager Hertzog on his slumping St. Louis Cardinals: "We could use a couple of shutouts. But I'm not sure that would be good enough to win." (LAT)

Boyd to Be Charged by Police; Red Sox Extend Suspension

BOSTON — The Boston Red Sox have continued indefinitely the suspension of pitcher Dennis (Oil Can) Boyd, and police announced that they plan to charge him with assault and battery on an officer.

General manager Lou Gorman said Wednesday that Boyd will remain suspended until "certain issues are clarified to the satisfaction of the Red Sox organization." He refused to discuss those issues.

Boyd and his roommate, shortstop Ray Quinones, were stopped by narcotics officers Tuesday night as they returned to their condominium in nearby Chelsea, The Boston Herald reported.

"He kept insisting he had a gun and he was going to shoot someone," Detective Sergeant Jack Phillips said in an interview with Boston television station WNEV. He said a search uncovered neither gun nor drugs.



Dennis Boyd

morning by the San Jose Bees of the Class A California League, for whom Howe had been pitching this season, came up positive. The league president, Joe Gallagher, then suspended Howe, although a unanimous vote Monday night by the Bees was negative.

Brewers Re-sign Thomas

The Milwaukee Brewers have announced that Gorman Thomas, their all-time home run leader, will rejoin the American League team for the rest of this season. The Associated Press reported from Milwaukee. Thomas, 35, was released June 25 by Seattle; he said that he had turned down offers from the Detroit Tigers and the Chicago White Sox in the hope he could play again for Milwaukee.

FOREBOARD

Table with columns for Golf, Cycling, and Goodwill Games. Includes names and scores for various events.

Golf

Table listing golfers and their scores for the British Open.

Cycling

Table listing cyclists and their scores for the Tour de France.

Goodwill Games

Table listing athletes and their scores for various events in the Goodwill Games.

Advertisement for IB BLANCPAIN watches, featuring a watch image and text: 'Since 1735 Masterpieces time cannot destroy'.

OBSERVER

Don Johnson? No Sweat

By Russell Baker
NEW YORK — My daughter, who loves me, wanted me to dress like an actor named Don Johnson, who plays a policeman in the television show "Miami Vice," which I saw once.

So when my daughter, out of love, brought me this Don Johnson police suit, I had to exercise terrific self-control so as not to say, "These are silly clothes fit only for a show so silly that the cops can't even catch poor old Gordon Liddy."

"Gosh, I've always wanted a Don Johnson 'Miami Vice' police suit," was what I said, slipping into the white jacket. It was 98 degrees (36 degrees centigrade) and the humidity was 165 percent, just like Miami. As we were inside, it was hotter and stickier than outside because my son, the one who lives at home to look after his parents — as Ralph Bellamy doubtless would have done if he'd been our child — believes air-conditioning causes terminal lumbar, cramp, quinsy and onsets of blindness such as finished off Bette Davis in "Dark Victory."

I put on the white jacket. Wrongly. "Wearing an oxford-weave shirt with a button-down collar and a British regimental ascot may get you past the security guards at Brooks Brothers," my daughter said, "but wearing them under white Don Johnson 'Miami Vice' police-suit jacket is simply not done."

A Repairer of Historic Catastrophes

The Fine Greek Hand and Architectural Ministrations of John Barianos

By Barbara Gamarekian
New York Times Service

WASHINGTON It is a rare historic edifice in the U.S. capital that has undergone restoration in recent years and not benefited from the fine hand and ministrations of John Barianos.

The National Building Museum, the Capitol, the Treasury Department, the White House, the Willard Hotel, the National Theater, the Hay Adams Hotel, the Old Post Office, the National Cathedral — all have felt his artist's touch.

Barianos is a master craftsman from Greece who for 20 years has helped restore this city's architectural heritage. He uses his expertise in sculpture and painting to refurbish and recreate designs that were handcrafted centuries ago, freshening frescoes and freezing with gold leaf, reconstructing coffered ceilings, mosaic floors, scagliola columns and ornate plaster work.

When Barianos is asked to make a restoration study, as he was recently in connection with restoration of the city's Beaux Arts Union Station, he makes a diagnosis of all the decorative features that have been destroyed or are broken and cracked and crumbling.



John Barianos in his studio: "I feel I create history and I feel proud."

Barianos considered it a place of monumental and historic buildings. He has never been at a loss for work; one commission has led to another, and he now has more than 30,000 square feet of studio space where his prototypes and molds and castings are made.

In the case of the 1901 Willard Hotel, an opulent Washington landmark that had stood vacant for 20 years and has now been returned to its former glory, cornices and moldings were missing, interior walls and wood finish were warped and rotten, decorative surfaces cracked and chipped, and the magnificent marble-like columns with their Corinthian, ionic and Doric capitals were decayed.

Barianos said he considered it a place of monumental and historic buildings. He has never been at a loss for work; one commission has led to another, and he now has more than 30,000 square feet of studio space where his prototypes and molds and castings are made.

There are many secrets in this type of business, he explained, saying: "In the old time, each family would keep their own secrets. I leave all my secrets to my son."

Paul Childs of Harry Weese & Associates, one of the architectural firms working on the restoration of Union Station, says that Barianos, unlike many restoration contractors, is knowledgeable in a full spectrum of restoration work.

"He has a great deal of knowledge about the sophisticated areas of restoration that we were running into at Union Station," Childs said, "knowing how to make scagliola, being capable of molding plaster, knowing how old forms of plaster were made, gold leafing and stencil work."

PEOPLE

Dogs Outbite People

Dogs are still No. 1 when it comes to biting people in New York, but people are No. 2. The Health Department's annual survey reported that dogs bit humans 9,809 times during 1985, while humans bit each other 1,591 times.

A British balloonist says he hopes to go around the world in 18 days next year in the first manned balloon flight to circle the globe. "It's the ultimate trip," said Jonathan Nott, who on Wednesday announced his plan to make a non-stop, 25,000-mile trip through the jet stream while riding in a domed, pressurized goodola suspended from a pump-jump-shaped helium balloon.

Two postcards signed by members of the Beatles pop in the early 1960s fetched a lion's share of \$240,000 at a Sotheby's auction. The two postcards, one of Paul McCartney and one of John Lennon, were bought by a collector for \$240,000.

LAND YOUR DREAM... REAL ESTATE OF ALL KINDS AND IN ALL PLACES IN FRIDAY'S INTERNATIONAL REAL ESTATE TODAY ON PAGE 5

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